

# TOMORROW'S

## – WORLD, CONSUMER, TOURIST



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## Executive Summary

In the world of 9/11 and the Indian Ocean Tsunami disaster, trying to predict the future of tourism is an uncertain science. VisitScotland, the national tourism agency for Scotland, uses a process of scenario-planning and futures-thinking in order to make sense of that uncertain outlook. This paper examines how world mega-trends and consumer behaviour will shape the actions of future tourists.

Four scenarios are constructed. **The right royal treatment** scenario describes the business traveller as sophisticated, demanding and time sensitive, who wants exceptional service but is willing to pay a premium price only for added value rather than just functionality. The **tourist living local scenario** describes the authentic tourist as someone who is discerning but wants to 'live local'. They are from a networked society where information is freely available. They have ethical beliefs and are inconspicuous consumers who have grown up in an affluent world. Their values and beliefs are based upon living in a mistrustful and anxious society fuelled by concerns for safety; the authentic tourist feels safe in the past rather than the artificial world of Disneyland. **The living the low-brow and high-brow life** scenario reflects cultural capital driven by an educated, well travelled consumer who is more concerned with experience than with material possessions. The **Asia gets going** scenario reflects the realisation that the middle classes of China will be driving the growth of tourism across the world by 2015; in this scenario Chinese tourists seek to live their dreams

## Introduction<sup>1</sup>

It is the industry's ambition to grow Scottish Tourism by 50% by the year 2015. However in an increasingly competitive marketplace this will not be achieved by standing still; not only must we keep pace with the ever-changing demands of the tourist, but we must look to the future in order to be ready to receive the future visitors with the services and products that they will demand. VisitScotland, as the national tourism destination-marketing organisation for Scotland, has responsibility to ensure its marketing strategies are aligned with the trends and environmental factors that are shaping the behaviour of future tourists. In order to understand the future, VisitScotland uses a process of scenario-planning and futures<sup>2</sup> thinking in order to make sense of the future in both a structured and creative manner.

In a world of uncertainties, shocks and surprises, it can be difficult at times to predict how the future will unfold. The Indian Ocean Tsunami reminds us of how external events have a disruptive effect on tourism. Nearer to home, FMD (foot and mouth disease) and 9/11 are

significant examples. Understanding the disruptive nature of such events is very important, but it must be remembered these circumstances are nothing new. In fact, the first recorded tourists to Scotland were as a result of war in Europe during the French Revolution, when Europe's aristocratic tourists arrived in Britain as part of Grand Tours. Yes, events do have an impact upon tourism, but tourism across the world is growing at a pace of 4% per annum, mainly due to real increases in disposable income amongst consumers and a desire for international travel. In our traditional markets tourists' expectations are changing, business-class prices are coming down as service levels rise. Budget airlines and the internet drive down costs, and tourists find they can tailor holidays to meet their particular requirements. The increasingly sophisticated tourist is seeking the unusual and the authentic experience rather than the shared, off-the-shelf holiday package. Therefore, it is important to know how world events influence the consumer and consequently how this shapes tourism. Hence the title of this research briefing, **Tomorrow's – World, Consumer, Tourist**.

<sup>1</sup> This research bulletin has been prepared for VisitScotland and the Scottish Tourism industry. No representation or warranty is given (express or implied) as to its accuracy, completeness or correctness of the information and opinions contained in this report. The material should not be regarded as specific advice and no action should be taken in reliance on it. Neither the authors nor VisitScotland accepts any liability whatsoever for any loss or damage in any way of or reliance placed upon the material. All of the events and portraits referred to within the scenarios are fictitious. Publication date: 1st May 2005.

<sup>2</sup> Yeoman, I & McMahon-Beattie (2005) Designing a Scenario Planning Process, Using a Blank Piece of Paper. *Hospitality & Tourism Research*. Vol 6, No 1, p 273-284

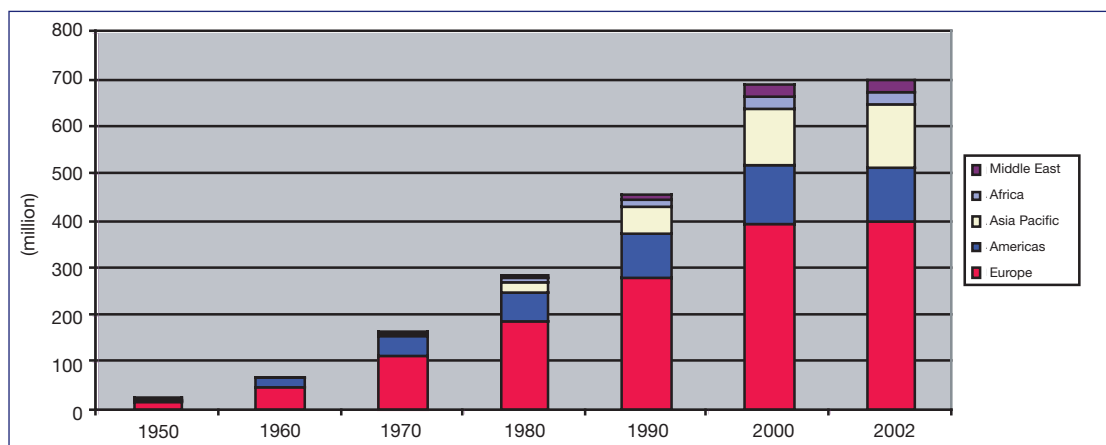
## World tourism: where has it been, where is it now and where is it going?

World tourism, driven by major changes in economic, political and social circumstances, has grown phenomenally in terms of volume and value over the last 50 years<sup>3</sup>. An average annual increase of 6.6% has resulted in international arrivals growing from a mere 25 million in 1950 to over 700 million in 2002.

Although the traditional tourist destinations of Europe and the Americas have until recent times dominated the

market, because of the faster rates of growth of other regions their combined market share has fallen from 95% in 1950 to 86% in 1980 and again to 76% in 2000. This trend illustrates an increasing desire to visit new places, with demand further stimulated by the emergence of newly accessible destinations. Above-average growth rates have occurred in Africa and the Middle East, with arrivals in Asia and the Pacific actually surpassing those in the Americas in 2001.

**Figure 1: International Tourist Arrivals, 1950-2002**



Source: WTO, World Overview and Tourism Markets

Within this booming industry Scotland has fared well, with tourist arrivals and spend growing year on year;

in 2002 Scotland's market share of international arrivals was 1.6 million or 0.23% of world tourism.

**Figure 2: World's Top Tourism Destinations by International Tourist Arrivals**

Rank	1950	World Share	1970	World Share	1990	World Share	2002	World Share
1	USA	71%	Italy	43%	France	38%	France	35%
2	Canada		Canada		USA		Spain	
3	Italy		France		Spain		Italy	
4	France		Spain		Italy		Italy	
5	Switzerland		USA		Hungary		China	
6	Ireland	17%	Austria	22%	Austria	19%	UK	14%
7	Austria		Germany		UK		Canada	
8	Spain		Switz.		Mexico		Mexico	
9	Germany		Yugoslavia		Germany		Austria	
10	UK		UK		Canada		Germany	
11	Norway	9%	Hungary	10%	Switzerland	10%	Hong Kong	11%
12	Argentina		Czech		Greece		Hungary	
13	Mexico		Belgium		Portugal		Greece	
14	Netherlands		Bulgaria		Malaysia		Poland	
15	Denamark		Romania		Croatia		Malaysia	
	Others	3%	Others	25%	Others	33%	Others	40%
<b>Total</b>	<b>25 million</b>		<b>166 million</b>		<b>456 million</b>		<b>703 million</b>	

Source: WTO, World Overview and Tourism Markets

3 WTO (2004), World Overview and Tourism Market Trends, published by the World Tourism Organisation, Madrid.

The growth of tourism across the globe is further illustrated when the country of destination (from Figure 2) is examined; in 1950 the top 5 tourism destinations accounted for 71% of the total market, by 2002 they made up only 35%. In 1950 the top 15 tourism destinations accounted for 97% of all tourist arrivals, in 2002 this had fallen to 60%.

The WTO 'Tourist 2020 Vision' forecasts that world tourism will continue to grow at pace, with the total

number of international arrivals predicted to be 1 billion by 2010 and nearly 1.6 billion by 2020, a world average growth of 4.1% per year. The East Asia and the Pacific region will continue to grow in significance, establishing itself as the second largest region and achieving a market share of 25% by 2020. Arrivals in Europe, although continuing to grow, will proportionally decline from 60% in 1995 to 46% in 2020, as seen in Figure 3.

**Figure 3: WTO Tourism 2020 Vision: Forecast of Inbound Tourism, World by Regions International Tourist Arrivals by Tourist Receiving Regions (million)**

	Base Year	Forecasts		Avg. Annual Growth Rate (%)	Market share	
	1995	2010	2020	1995-2020	1995	2020
Africa	20.2	47.0	77.3	5.5	3.6	5.0
Americas	108.9	190.4	282.3	3.9	19.3	18.1
East Asia & Pacific	81.4	195.2	397.2	6.5	14.4	25.4
Europe	338.4	527.3	717.0	3.0	59.8	45.9
Middle East	12.4	35.9	68.5	7.1	2.2	4.4
South Asia	4.2	10.6	18.8	6.2	0.7	1.2
World	565.4	1,006.4	1,561.1	4.1	100	100

This continued desire to explore the world is combined with an increasing diversification in the types of tourism undertaken. The traditional sun-and-sea 'summer holiday', which for many years characterised international tourism is changing, and destinations are offering an increasingly diverse range of products and experiences. Spain is a good example of this, as the archetypal summer holiday destination, still offering traditional beach holidays but now also seen as a cultural destination with Barcelona, Madrid, Valencia, and an active destination, with walking in the Pyrenees and golfing in Andalucia. The holiday market has gradually fragmented into a pick-and-mix selection of destinations, activities, length of trip and time of year.

The WTO has identified cultural tourism, cruise tourism, short breaks, international meetings and ecotourism, amongst others, as areas for future growth. Alongside these we have the growing hedonistic, relaxation and family markets but the question is why are these markets growing? By taking a step back and mapping the key mega-trends which shape the world, and then identifying how these trends impact upon the consumer through clustering them as political, social, technological and individual trends, we can see that four scenarios emerge, which capture the essence of the future tourist.

## Tomorrow's World:

### Macro-environmental Trends

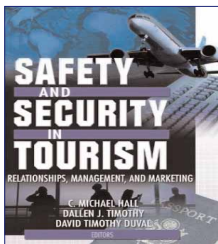
It is the world and the consumer's expectations which will shape the future of tourism and in order for us to understand them, the starting point is to understand mega-trends in society and how they will shape and influence the future consumer and tourist. We need to be able to separate cause from effect in order to identify the core drivers that are shaping tourism, for example the impact of changing labour and demographic trends. These drivers were identified by the Moffat Centre ([www.moffatcentre.com](http://www.moffatcentre.com)) and Bee Successful Ltd. ([www.beesuccessful.com](http://www.beesuccessful.com)) as part of VisitScotland's environmental scanning process<sup>4</sup>.

### A World of Changing Values?

Increasing evidence is emerging of a conflict between consumerism and a wider concern for community and societal impacts. Faith and a concern for moral certainties are juxtaposed with the immediacy of world news and information channels that can transport the images of suffering, war and famine into real time to developed nations, stimulating an individual or community-based reaction, whether to famine (as in the case of the Live Aid response) or destruction (as is the case with the tsunami crisis).

Immediacy and accessibility of leisure via the internet will alter entertainment in terms of time and availability. The distinction between work and leisure will continue to blur and individuals' questions about ethics, sustainability, human rights and democracy will play an incremental role in consumer choice.

### Living with Uncertainty and Crime



In an increasingly unsafe world humans will become more aware of crime and terrorism as a backdrop to everyday life. Disruption to travel as a consequence of geopolitical tensions, environmental disasters and rising security costs will be mirrored by governments increasingly attempting to monitor, manage and combat such shocks. Identity cards, retina scanning and DNA sampling will become part of governments' efforts to reduce and combat uncertainty through increased security.

### The Dichotomy between Rich and Poor

Increasing polarisation of wealth and poverty in our societies will create more challenges and uncertainties about our future. The size and rate of population growth in developing economies will fuel this divide and create increasing pressures on economies such as China, India and Brazil.

### The Power of the USA in the World

There is no doubt that US politics and policy are impacting on the world stage. Against a backdrop of difficult economic conditions at home, the US continues to implement an extensive and interventionist foreign policy that will impact on trade, society and the world economy. The consequences of such a single dominant voice in an increasingly uncertain world impact on many aspects of our societies, whether it be the environment (in the form of US non-compliance with the Kyoto Protocol) or protectionist policies on trade with developing nations, and fashion the increasingly unacceptable face of US corporate brands.

### The Power of the Asian Block in the World

The expansion of the economies of India and China is seen by many respected commentators as one of the major factors in how the world's geopolitical economy will change in the next decade. The consequences are vast – 'from the need to feed the exponential growth in these nations' populations to the alteration in world economic power from west to east. At an environmental level, the consequences of such growth will be keenly felt and will influence and impact on tourist choice.

### The Power of the European Union in the World

A larger Europe, more integrated and more powerful, will become an important element of the world economy and the UK relationship with the EU will be an increasingly significant driver towards 2015. Already the idea of borderless travel as a result of the Schengen Treaty (abolition of border checks) has created greater mobility for Europeans in both work opportunities and leisure. This trend is likely to continue as political and economic union becomes a reality amongst the majority of the EU countries.

### A Changing Business World

As a consequence of the power shift in economies, lower capital and operating costs will mean that manufacturing and service employment will move to developing economies. New lessons in wealth-generation will have to be learned by the western economies as their traditional dominance is eroded.

### The Global/Local Society

Globalisation is increasingly driving our economies as large corporations overshadow national economies. Engaging people in a global community is a huge opportunity for change to a fairer world. However, global economies and businesses are driving divisions and non-sustainable patterns of growth. Debt in many poor countries is hampering development, growth and international existence and reform of aid by the developed nations to third-world countries is now on the agenda.

4 Yeoman, I & McMahon-Beattie (2005) Designing a Scenario Planning Process, Using a Blank Piece of Paper. *Hospitality & Tourism Research*. Vol 6, No 1, p 273-284

### **The Relationship between People and Governments**

People are becoming increasingly sceptical of politicians, governments and corporations. At an international level, hostility to the US is matched by concern for the sustainability of growth and impacts on the environment.

### **AIDS**

The presence of AIDS in developing countries has altered consumer perceptions of what constitutes 'safe' and acceptable. Whilst data suggests only localised impacts on population structures, the impact on labour markets and many strands of society are all too obvious. The combat of AIDS as a disease is a world issue that requires internationally co-ordinated medical attention.



### **Physical Access: Transport of People and Goods**

The availability of and widespread access to travel and communications has connected our societies as never before, yet the transport network is far from integrated and is vulnerable to shortages of fuels, particularly oil. Air transport as a global industry will change in the years to 2025; oil remains a finite commodity, shortages of which will impact on the world economy. The UK and much of the developed world remains vulnerable to shortages, price rises and re-evaluation of stocks available.

### **Access to Knowledge**

The scale of communication technology and the immediacy of knowledge are global phenomena and this may help the way in which populations and people attempt to understand their societies and the dynamics within them. Yet such access is linked to wealth and availability and is not yet uniform.

### **Changing Labour and Demographics**

The ageing population of western societies will create labour and skills shortages and, as production moves to new locations, patterns of migration will be influenced by sources of employment. This will create further geopolitical shifts in power and resource bases, as increased connectivity is contrasted with vulnerable transport infrastructure. Furthermore, the degree of economic inactivity of the older population is by no means certain as people in the developed nations are encouraged to work for longer or even forced to do so as pensions fail to keep track with the cost of living.

### **Energy/Oil**

One of the major economic issues in the world is the inevitable rise in the price of oil and the consequent impact this will have on economies. Uncertainty over the availability of oil and the size of reserves will engage the minds of many governments and pan-national corporations. Alternative sources of energy and concern about carbon emissions are major items on the world political agenda, and there is now a much greater public awareness of fuel/energy issues.



### **The Environment, Natural Resources and Climate Issues**

Climate changes represent a microcosm of sustainable development and from this many consequences flow. The decline in biodiversity is a major concern, climatic change is regularly on the agenda at global summits and our use of the Earth's natural resources is regularly called into question. These issues highlight a range of assumptions about our environment that can no longer be taken for granted.

Issues such as pollution and waste disposal and the subsequent impacts on landscape and the environment occupy many pages of reports and new items. Consumers in developed societies have a surfeit of freedom and create major impacts in fragile environments.

## Tomorrow's Consumer:

### CONSUMER DRIVERS

In this increasingly complex world it is important to identify the key trends that are shaping consumer behaviour. What follows are the key trends as seen by The Future Foundation<sup>5</sup>. They include:

**The individual:** how opinions are formed, how choice is organised, how behaviour is influenced.

**The wider social order:** the significant facts of demography, family, time-and-work, incomes and consumption.

**Our relationships:** with one another, with our political order and with the brands competing to win our support and loyalty.

**Technological innovation:** how we use it to organise our lives, to connect with others, to amuse ourselves.

### SOCIAL TRENDS

#### Liberal consumer values

People have become tolerant about many issues and society as a whole has become more liberal and cosmopolitan in its outlook. Unsurprisingly, these attitudes are displayed more often by the young. However, society is not immune to occasional backlashes caused by a downturn in the economy, by unforeseen world events and by media coverage of minorities.

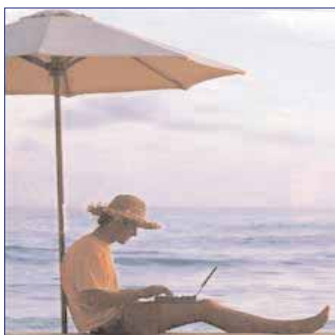
#### Multiculturalism

There is now general consensual agreement that a multi-cultural society is a healthier and richer society, and, by and large, there is evidence that people are becoming more tolerant and prepared to recognise that we live in an increasingly pluralistic society.

#### Education

There has been a rise in education standards over the last 50 years. Scotland has a participation rate of 50% for all school leavers in higher education, with many other nations following a similar trend.

#### 'Have-it-all' society



'Having it all' is not just about the fact that the majority of men and women now aspire to have both careers and active family life; this attitude applies just as much to a wider set of aspirations. The desire for active social lives and fulfilling leisure pursuits, alongside commitment to career and family, both builds pressure on time and changes the way we use it.

More satisfaction must be squeezed from each moment. But hectic lives also call for 'time oases' – prolonged experiences of a calmer, more reflective or escapist quality that provide an escape from time pressures.

#### Networked society

We are, in ways not available to previous generations, free as individuals to choose our relationships and influences. This is a world where our choices and our behaviour increasingly define us as individuals.

#### Complicated lives

Many ideals about modern life seem to yearn for some bygone era when everyone knew their place and had a happier and less harassed existence and a less complicated life. Our lives are more complicated now – but only because we want (and have come to expect) all the good things that make them so. Business advantage will be found in maximising the benefits of and minimising the difficulties of our complex modern lifestyles – not by trying to wind back the clock.

#### The anxiety society

The 'culture of fear' is causing consumers to behave in increasingly irrational ways. Despite being richer, healthier and safer, today's consumers seem to worry more than ever – with notable effects on their perceptions, everyday behaviour, and identity.

#### Personal control versus the culture of blame

Our affluent era has transformed consumers' aspirations, expectations and relationships with businesses in many specific ways. At a personal level, people feel that they have more control over their future and, unlike their parents in the 1960's and 1970s they can, to some extent, choose their place in society. Additionally, we live in a society of 'blame', which encourages 'ambulance chasers' and an 'American' suing culture. Therefore safety and risk aversion become the norm, resulting in higher insurance costs and barriers to adventure

#### Individualism and fragmented markets

As markets become increasingly fragmented and consumers become more individualistic, segmenting the population is becoming more difficult.

The screenshot shows the lastminute.com website interface. At the top, there's a navigation bar with 'My account', 'Help', and 'Security guarantee'. A search bar is on the right with the phone number '0871 222 5969'. Below the navigation, there are several search filters and options: 'Flight+Hotel-SAVE £££', 'Holidays', 'Flights', 'Hotels', 'Car hire', 'Gifts', 'Dating', 'Restaurants', and 'Entertainment'. The main search area is titled 'Flight+Hotel search' and includes fields for 'Departure point' (Any London Airport), 'Departure date' (26 September), 'Departure time' (I don't mind), 'Destination city' (Select), 'Return date' (27 September), and 'Return time' (I don't mind). There are also fields for 'Class', 'Adults', 'Senior', 'Children', and 'Infants'. A 'Search' button is at the bottom right of the search area. On the right side, there's a promotional banner for 'autumn collection' with a price tag of '£399' and a 'bling bling city break' link.

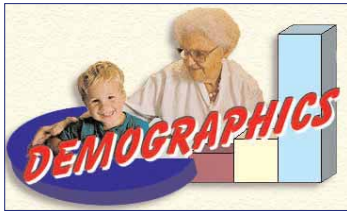
5 Future Foundations (2005). Consumer Trends. Accessed at [www.nvisiononline.co.uk](http://www.nvisiononline.co.uk).

## Personalisation of authority

There has been a real shift in the influence of different authority figures – away from the monolithic 'big' authorities and towards more individual personal, closer authority figures such as family members, friends or work colleagues. This reflects both consumer confidence in their choice of products and services and the growth of networks, and underlines the potency of word-of-mouth-based marketing strategies.

## Longevity and new life courses

The most important demographic development of the last century has been the increase in longevity. However, it is the changing attitudes towards different life-stages which is the more significant factor. New concepts of, and attitudes towards, the pattern of life; a re-definition of old age, middle age and youth, and new attitudes towards and perceptions of different age groups.



## Youth: From rebellion to escapism

Today's generation of young people, rather than rebelling against society, are actually quite inclined towards global capitalism, show little interest in politics, seem willing to participate within mainstream society and to embrace the entrepreneurial ideal. Increasing affluence has led to expectations of fulfilment and excitement, which they seek through various forms of escapism.

## Networked family

Rather than being in crisis, the family in Britain today is, in fact, in good health – and has reinforced its critical role in society. New democratic family roles, the growth of 'extended' families and the increased availability of modern technology are changing the nature of the family, but they are bolstering it in the process and changing it for the better.

## The multigenerational family

Longevity and falling birth rates are stretching the family structure, shifting away from the 'horizontal' families of the past to extended families i.e., aunts, uncles and grandchildren.

## POLITICAL TRENDS

### The Affluent Society

This generation of citizen-consumers is passing through a unique – as in uniquely benevolent – set of socio-economic circumstances, the benign marriage of economic improvement and social integration.

## Globalisation

Much talked about, yet often misunderstood, globalisation is one of the key influences in the new political economy. Underpinned by technological development and commercial deregulation, increased international connectivity will continue to change the shape of modern life, further diminishing the constraints of physical boundaries and extending the geographical scope of social networks.

## Wealth distribution



Although there has been a greatly increased overall level of wealth in society and both the rich and the poor have benefited, the distribution of this wealth remains hugely unequal – and is becoming more so. What a society does with the wealth it creates and how it shares it defines, ineluctably, what manner of society it is.

## Rise of the anti-corporate movement

Criticism of our global order and the marketing policies of global companies is not confined to the most vocal advocates of radical change. Criticism has become part of the mood music of our times; it provides a moral context for any consumer boycott or regulatory tightening that is in the air.

## Collective decision-making

The increasingly pluralistic society in which we live has created new challenges in the way we make decisions. As a result, we are likely to witness an increasing use of specific models of collective decision-making to fit specific situations and conflicts, together with a decline of majority rule.

## Work-life balance

As people reflect on their career-progression at work and the influence they have upon it, so they may well also consider the wider issue of the role of work in their lives. Work-life balance is an issue that can benefit both employers and employees – if the right balance can be established.

## The employee-focused company

As employees have accepted the potential for job insecurity in a global economy and become persuaded of the need to take control of their own careers, so their loyalty to a single employer is being diminished. For all the current talk about customer-focused companies, perhaps being an employee-focused company will be seen as being of equal, and critical, importance in the future.

## TECHNOLOGICAL TRENDS

### Digitalisation - processing power and bandwidth

The starting point of the digital revolution has been the huge increase in processing power, knowledge and intelligence. The potential here is for enormous improvements in productivity and, in particular, the knowledge and 'nous' of competitors and customers alike. But it is the development of broadband technology, still, in 2005, at a very early stage, that has the potential to revolutionise many aspects of the way we use interactive services.

### Bio-technology: Prospects and concerns



Genetic engineering and biotechnology are on the brink of boosting the technological revolution: advances in medical science and particularly in genetics are continuously improving the treatment of life-threatening diseases and finding new methods for preserving the human body. Public opinion and political debate are finding it hard to keep pace. Nevertheless, new genetic technologies are about to create a new market for themselves, with products, consumers and prices.

### Impact of Information Communications Technology (ICT) on identity

The digital and communications' revolution is profoundly affecting the notion of one's 'self', engendering a 'spectral' environment within which consumers play out their lives



### Robotics and new domestic technologies

The evolution of domestic entertainment and labour-saving devices is important both in terms of commercial opportunities and their effects on the lifestyles of consumers.

### Digitalisation: the age of interactive technologies

The development of a digital world is fundamentally changing the media we consume and the ways we communicate. Whether it is through digital television, pc-based internet or the new generation of internet-enabled mobile phones (3Gs), the way people can do things is being truly revolutionised.

## INDIVIDUAL TRENDS

### Experience economy

In our affluent times, as more and more material needs are satisfied for more and more people, so marketers inevitably shift from the promotion of the functional benefits to the emotional benefits: reverie/escape, status-enhancement, stress-alleviation, reward and social-skill confirmation. Consumers require - and in our argument increasingly need - something more, as they seek newer/richer/deeper experiences.

### Self-actualisation

The elements now characterising the pursuit of personal fulfilment for the consumer-citizen include the search for validated self-esteem, the love of heightened experience and the continuing urge to show/share the glamour of a life well-lived.

### Individualism and careers

In a workplace increasingly characterised by project and knowledge- work both employers and workers face new challenges. For employees, being able to re-invent a personal employment 'brand' (aided by a programme of lifetime learning) will become imperative. For employers, encouraging, pampering and nurturing their star talent (being employee-focused) will become a pre-requisite.



### The leisure society

It seems that most people have not yet moved much closer to the utopian 'leisure society' where they are free from subsistence needs and able to do their own thing whenever they so wish. Nevertheless, overall, the adult population has more time and more money to spend on leisure pursuits and activities, and consumers are more and more looking for new and interesting experiences through an ever-broadening array of activities. In addition, the leisure industry plays an increasingly significant role in the economy and accounts for a growing share of both consumer expenditure and employment.

### Out-of-home leisure

People are spending more time, as well as more money, on activities outside the home than they did in the past. Ever-increasing affluence has shifted people's aspirations towards greater fulfilment and a need for new experiences, most of which take place outside the home.

**Inconspicuous consumption**

As more people move up Maslow's<sup>6</sup> hierarchy of needs, inconspicuous consumption will steadily replace the predominantly status-driven conspicuous consumption of the post-war years. We do not imply that consumers will stop consuming; rather, we suggest that their motivations will increasingly be different. We do not suggest the end of ostentation, but simply a subtle shift away from brands being bought primarily as a badge of rank or positioning.

**Ethical consumption**

There are very few markets in the UK - or the services which support them - not affected by the trend we refer to as 'ethical consumption'. This refers to the motivation to purchase which lies beyond the stimulus of price, quality and opportunity and which invokes philosophical concerns which may be pre-existent in the mind of the consumer.

**Corporate social responsibility**

Many companies have by now accepted at least general propositions about corporate social responsibility.



**Managing consumer choice**

The range of choice confronting consumers has increased dramatically in the last generation. A massive increase in grocery and financial services' offers goes hand in hand with new choices in the utilities and telecoms industries, thus creating a greater need for

choice management. Trusted brands and independent sources of guidance will prosper in an environment of overwhelming choice.

**The culture of immediacy**

The phenomenon of acceleration can be seen in many areas of modern society. People, products, communications and media move faster, and this is changing consumers' expectations and behaviour. Communication will continue to speed up with the evolution of more mobile and more effective communications technology. Particularly where information and service are concerned, people expect not to have to wait.

**The culture of change**

In a period of rapid social change, we are all, in a sense, in transition. Just as companies are constantly exhorted to change and to be in a constant state of creative transition, so too are individuals. We live in a culture where change, renewal, and keeping up with the times, matter in ways which they did not before.



6 Maslow, A & Lowry, R (1998) *Toward a Psychology of Being*. John Wiley & Sons, Chichester.

## Tomorrow's Tourist:

### The Tourism Scenarios

These tourism scenarios have been constructed using the principles of cognitive mapping, which represents individual's thoughts concerning a problem situation. The map itself shows a series of linked ideas, with arrows indicating how one idea might lead to another i.e it is a signed, directed map illustrating chains of cause and effect among the issues relating to the problem. Therefore, by using this approach, mega and consumer trends can be mapped, then clustered into a number of concepts which are the basis of scenario narratives. For information about the technique, readers are referred to Colin Eden and Fran Ackerman's book, *Making Strategy*<sup>7</sup>. An example of scenario construction is seen in appendix A

### Business Tourist Scenario: The corporate traveller in 2015 - A right royal treatment.



Flying business class used to mean some nice extras – a bigger seat, more entertainment and a better meal. Today in 2015 it's five-star service without the five-star price. Our journey begins with Rocco Di Vinci, 27, a fourth-generation Italian who lives in Tallin, Estonia. Rocco drives his hydro-electric car to Tallin International Airport, where upon arrival he flashes his built-in nano-chip barcode and straightaway

boards his private jet for a 90-minute flight to Scotland. At Prestwick Royal Airport, a private, business-only facility which was once Scotland's leading budget airport, Rocco takes a business express train to the heart of the Merchant City, just 20 minutes away. During his journey, Rocco has already made reservations for dinner and theatre tickets via his PDA.

Next morning Rocco clinches a distribution deal with Ava Biomedics, a HIV drug manufacturer based at Dundee University. Ava Wonder<sup>®</sup> is a revolutionary drug which prevents the HIV virus developing into Aids. In early afternoon Rocco chairs an international video conference from the local business exchange. With the afternoon free Rocco takes advantage of the on-site spa facility with a therapeutic massage and manicure.

Rocco stays at the Merchant City Apartments, a type of five-star hotel without the traditional services. These serviced apartments come with several rooms, a fully equipped kitchen, and a private entrance, and have a range of business entertainment options. Rocco often comments "it's nice to come back to a place that feels like your own apartment, you get tired of staying in stuffy hotels." This one-bedroom apartment has work and living spaces separated by curtains and a fully equipped kitchen concealed behind screens. Guests can either prepare their own meals or order gourmet

food from a dedicated 24-hour delivery service. As Rocco and his company's employees are often in Glasgow, they have a six-month lease at only a third of the price of a four-star hotel.

*Business meetings in 2015 are a rarer event as a result of video conferencing and increased bandwidth but the personal experience is still essential for international mega-deals. In 2015 the business traveller is sophisticated, demanding and time sensitive, who wants exceptional service but is willing to pay a premium price only for added value rather than mere functionality.*

### Authenticity Scenario: Tourists living local

Jose and Maria MacDonald-Morinho, an elderly Panamanian couple, travel to Scotland in 2015 to search for Jose's ancestors. The Darien Expedition took his forefathers to New Caledonia, Panama, in 1693. Jose and Maria are making their first trip to Scotland; having searched through [www.ancestralscotland.com](http://www.ancestralscotland.com) to construct a family tree, they have traced their roots back to Edinburgh. Upon arrival they are greeted by James and Fiona MacDonald, their on-line buddies, who they met in the website chatroom. James and Fiona are, in fact, Jose's distant cousins. They have often 'chatted' about history, family and Scotland, and greet each other as if they were close friends.



James and Fiona have planned a trip for the MacDonald-Morinhos, starting with a visit to Skye, the traditional home of the MacDonald clan. At the MacDonald study centre and visitor attraction, they viewed original documents about their ancestors, the highlight of which is their ancestral uncle Hamish's diary of 1641.

Returning to Edinburgh Jose stops at the Scottish Retail Experience to be measured for his MacDonald kilt and associated accessories, he also purchases a rare Scottish malt because much of the world's whisky is no longer made in Scotland; it is only the top-end, premium brands which are still distilled here. Jose was proud of his authentic malt, something he can't get back home. In Edinburgh they watch the Military Tattoo, visit the Kenny Dalglish Museum and the Palace of Holyroodhouse where they catch a glimpse of King William. James and Fiona show Jose and Maria where their ancestors departed on The Dolphin from Leith Docks. Jose is so overwhelmed by this visit that he signs up to join the Damien Volunteers, an organisation the goal of which is the promotion of the Scottish diaspora in the New World – and which organises a number of heritage and community holidays within Scotland, such as croft renovation and wildlife experiences.

<sup>7</sup> Eden, C. & Ackermann, F., (1998) *Making Strategy: The Journey of Strategic Management*. Sage, London.

*The authentic tourist is someone who is discerning but wants to 'live local'. They are from a networked society where information is freely available. They are ethically minded and inconspicuous consumers who have grown up in an affluent world. Their values and beliefs are based upon a mistrusting and anxious society; fuelled by concerns for safety, the authentic tourist feels safe in the past rather than the artificial world of Disneyland.*

### Experience Scenario: Asia Gets Going



Zheun Xia (Naomi) is a 35-year-old business executive from Kunming, the capital of the Yunnan province in China. This is her first long-haul international trip and her destination is New Firhill, the home of Partick Thistle Football Club. Partick Thistle women's football team were European champions in 2012. Naomi, an amateur

footballer, is keen to experience New Firhill. Flying from Beijing to Glasgow, non-stop, Naomi takes a taxi to the John Lambie Footel, a complex of five star luxury accommodation and restaurants adjacent to New Firhill and Glasgow Sports University (built for the Commonwealth Games 2014). Naomi is here to fulfill her dream to act out being a professional footballer on the synthetic turf of New Firhill. Her training begins with a one-to-one session with Sun Daei, Partick Thistle's international Chinese star. Sun Daei captained Partick Thistle to their European Championship and China to their gold medal at the Beijing Olympics in 2008.

Pro-am Sporting Holidays is a worldwide thriving business where aspirational dreams are realised. In Scotland 2015, sports tourism is a £1-billion industry. The cult of the sporting celebrity drives the offer of sporting adventure. Naomi during her seven-day camp took part in a number of football tournaments and was even treated for a groin strain at the university medical centre. Naomi's stay included a celebrity life-style where she was able to act out her sporting fantasy on the field and live the pampered footballers' lifestyle off the field.

*Asia gets going is a realisation that the middle classes in China will be driving the growth of tourism across the world by 2015. Naomi is a tourist who is setting out to experience her dream. Football is her hobby and tourism is an extension of that hobby; she is living the dream.*

### Cultural Capital Scenario: Living the low-brow and the high-brow life

Sheena Williams is 62, lives in Edinburgh and is a part-time social worker. She is well travelled, has just completed an Open University degree in literature and is a volunteer with a number of local community projects. Circumstances force Sheena to work part-time because of her pension shortfall and she thinks that this will continue until her health dictates otherwise.

Since Edinburgh was designated cultural capital of the world in 2015 by Lonely Planet, Sheena has been in heaven. During the summer months Edinburgh's streets are paved with tourists and it is a delight to sit in a café enjoying the buzz of the city. The Royal Mile is a haven of entertainment, whether it's student jesters or exotic strippers, they reflect today's bohemian culture. Sheena has pre-booked online what she wants to see (as a member of the capital's culture club she has purchased a 20-event package for the summer), with access to twenty events at the different festivals. Sheena takes in a performance of "Romeo and Juliet" by the Scottish Ballet Company, followed by a Teatime Conversation with Mick Jagger, who still performs at the Edinburgh Heritage Rock Festival. Getting around the Royal Mile in 2015 is easier since the installation of the escalator system connecting Edinburgh Castle, the Palace of Holyroodhouse and Princes Street. In the evening Sheena listens to a Franz Ferdinand tribute band and stand-up comedian Robert Kilroy-Silk and then finished the evening watching the latest Bollywood film "Gandhi Where's Your Trousers?".

*The importance of this scenario reflects cultural capital being driven by an educated, well travelled consumer who is more concerned with experience than with material possessions. They have a comfortable lifestyle (although price-sensitive) and prefer inconspicuous consumption, they have active minds and need intellectual stimulation; they have broad horizons and travel to see many different cultures, hence their liberal attitude to life. Longer life courses and a leisure society mean a drive for self-actualisation through ethical consumption and volunteerism.*

## Conclusions

At the beginning of this report we reported on the WTO's identification of a shift in tourism behaviour away from sun and sand towards culture and a more sophisticated tourist. Tourism is now a worldwide industry; one can take a holiday at the North Pole or the South Pole and everywhere in between! Destinations once seen as tourism icons, such as the USA, France and Switzerland, will by 2015 have slipped down the world table and been overtaken by India, China, Turkey and other countries. It is not that these destinations are in terminal decline, but that more countries are doing tourism. The tourist has more disposable income than ever before; for example the UK consumer has twice as much disposable income in real terms if we compare 1985 to 2005<sup>8</sup> and this trend is reflected elsewhere in the world.

As people look for new meanings from their consumption of goods and services in a way consistent with Maslow's<sup>9</sup> self-actualisation concept, their desire for self-actualisation becomes a search for a wider meaning and sense of worth beyond material possessions. This explains the rise of the 'doing or activity based holidays' such as sport and hobbies. In the experience scenario – *Asia Gets Going*, Naomi is living her dream – to be a professional footballer. Additionally, the rise of the Chinese middle classes means they will be the next generation of international travellers in 2015.

As more people benefit from higher education and gain degree qualifications, we place a greater emphasis on the importance of culture in society. This, combined with experience of travel and liberal attitudes, results in culture becoming an important driving force within tourism, whether it is *high-brow or low-brow* as illustrated in the cultural capital scenario.

As the experience economy matures, authenticity emerges as a driver; authenticity means that consumers centre on the pure experience untainted by copycats. A truly authentic experience is steeped in culture and history and presented in an innovative way. This is shown by the scenario of Jose and Maria MacDonald-Morinho searching for their ancestral identity and building relationships; they are tourists who are *living local*. In this scenario it is also the power of the internet which makes information accessible for tourists.

Finally, in the business tourist scenario, a *Right Royal Treatment*, Rocco Di Vinci represents the future of the international business tourist who is sophisticated, demanding and time-sensitive and who demands exceptional service. As other destinations increasingly focus on business tourism, it is extremely important for Scotland to offer a highly professional service and an innovative product, in order just to maintain its present position; in this scenario the business traveller is not willing to pay a premier price for functionality but only for added value.

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8 Munro C & Yeoman I (2005), A Macro-Environmental Analysis of UK Regional Markets 2005-2008, paper submitted to *The Journal of Vacation Marketing*.

9 Maslow, A & Lowry, R (1998) *Toward a Psychology of Being*. John Wiley & Sons, Chichester.

## Appendix A – Constructing scenario's using cognitive maps

DECISION EXPLORER<sup>10</sup> (DE) is an interactive tool for assisting and clarifying problems using the principles of cognitive mapping. DE allows a visual display and analysis of cognitive maps in such a manner that it permits 'multiple viewpoints', 'holding of concepts', 'tracing of concepts' and 'causal relationship management'. Jones<sup>11</sup> (p11) states that:

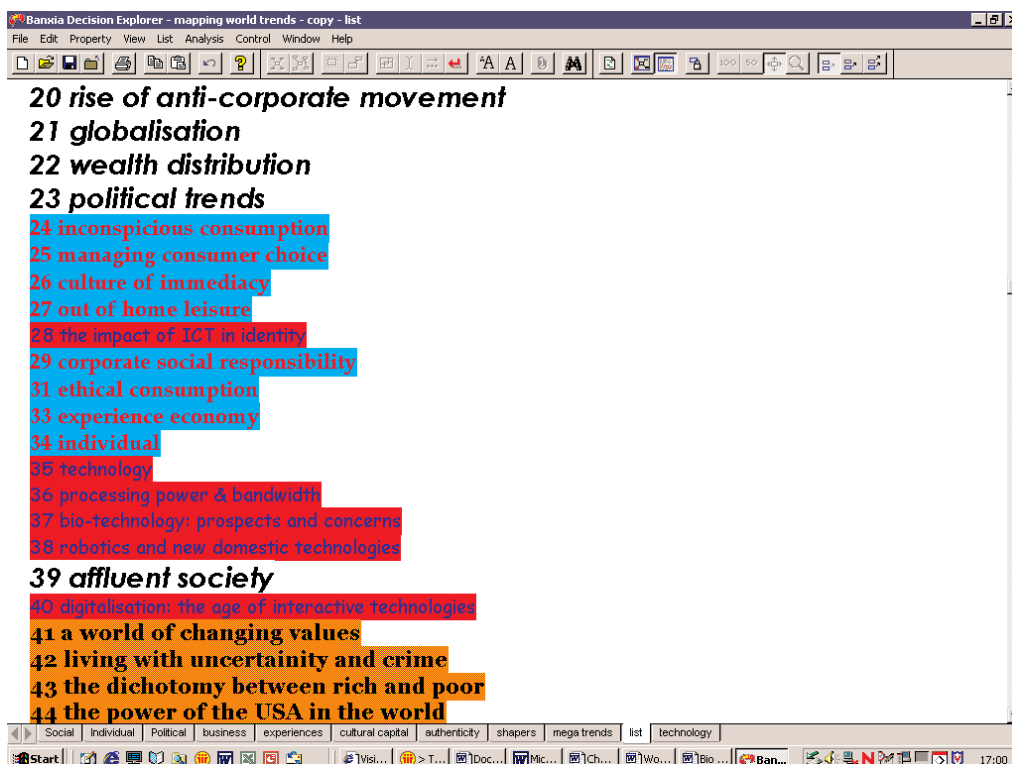
*Cognitive maps are a collection of ideas (concepts) and relationships in the form of a map. Ideas are expressed by short phrases which encapsulate a single notion and, where appropriate, it's opposite. The relationships between ideas are described by linking them together in either a causal or connotative manner.*

DE is a rich interactive tool that allows for the movement of concepts and connections in order that researchers can be in the centre of the meaning of problems or scenarios, seeing how the phenomena unfold.

### Stage 1 Inputting of data

As the mega and consumer trends have already been identified, it is a simple matter of inputting the trends as concepts using the concepts The researcher uses the 'concept style manager' in DE to categorise each concept into particular trends' grouping. An example of this is shown in figure 4.

**Figure 4: List of concepts, coded by style**



### Stage 2: Mapping concepts

At this stage, the researcher needs to link the concepts together, using the link management commands in DE. This is the core of map construction, as it is the researchers' experience and subjectivity which influences the shape of the map<sup>12</sup>. Viewing and shaping

the map is an interactive process with other researchers, suggesting which concepts link to which other concepts. This is a process of dialogue between researchers, which eventually leads to a number of cognitive maps, which become the basis for a scenario narrative.

<sup>10</sup> Decision Explorer (2005) Accessed at [www.banxia.com](http://www.banxia.com)

<sup>11</sup> Jones, M. (1993) Decision Explorer: Reference Manual Version 3.1. Banxia Software Limited, Glasgow.

<sup>12</sup>Yeoman, I (2005) Developing a Conceptual Map of Soft OR Practice. Unpublished Ph.D Thesis, Napier University, Edinburgh. May.