WHAT WILL FUTURE BRING FOR TOURISM AND TRAVEL?

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In the worldwide, both political and economic uncertainty are at their highest level for years, and the situation is expected to continue with flow on effects for consumers who in view of uncertain times may well exercise caution when making purchasing decisions. Despite the uncertainties facing the global economy, certain trends are inevitable.

The expansion of the middle classes in developing markets has been one of the key outcomes of economic growth, as huge swathes of these populations move out of poverty and form an increasingly demanding and sophisticated consumer base. The middle class will slowly disappear and in the hyper flexible, digital, networked economy, hybrid products will be designed. Discount will meet the premium class and the gap between those with ‘lots of time and little money’ and the ones with ‘no time and lots of money’ will get bigger. Market segmentation has become also impossible when people fly by a charter flight, stay in a five-star hotel and have lunch in a fast food restaurant.

Essential social drivers such individualisation, flexibility and the aging of society will fundamentally change social relations. Patchwork-families, single households, serial partnerships and jobs will replace traditional structures and change how people holiday, with whom and when. Today there is increasing emphasis on what you want, expect and need from holidays – and how you can give back to the destination and people who live there for your experience. Today’s tourists are looking for memorable experiences and authenticity rather than just travelling to

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destinations. Travel in the future will therefore have a greater, more profound meaning – and not just for us, but also for destinations and the people who live there. This kind of travel will be called “Profound Travel”.

Travel in the future will be geo-local. This means that people will travel much closer to their home. In the future, the majority of hotels will obtain their products, materials, services and employees from the direct vicinity. We will see a new type of hotel, the so-called “10 kilometre hotel”, which will purchase or obtain all its resources within a radius of 10km. Moreover, consumption will be measured for each guest, and bills will show separate accounts for the use of electricity, water and similar resources. Those whose consumption is less than average will get discounts.

With the growing cost of flying, travel will follow the slow food trend. We will be increasingly aware of the value of “slow travel”, by using trains, boats and bicycles. With the rising cost of fuel (if this continues) cheap flights will not be with us for much longer. Travel by train will be simpler and the global reservation system will be created. We will see the growth of more environment-friendly biofuels, and in the cruise industry we will see a lot of new ideas that will reduce the carbon footprint, such as adding sails to large cruise ships, or a return to airships for shorter trips. The holistic approach to responsible tourism will include the labelling of holidays depending on how they impact the local community and its culture and environment.

Also known as the peer-to-peer (P2P) movement, we are now seeing individuals taking steps to creating their own travel ecosystem. Many have heard of AirBnB, HomeAway, Wimdu or Couchsurfing, yet there are countless sites now enabling people to rent out a room, a sofa or the whole apartment or house, either through home-swapping schemes or via transactional sites. Vacation rentals are one of the hottest segments in the travel sphere, with listings increasing both in the key markets as well as emerging economies, demonstrating its universal appeal.

Recently there has been a huge jump in “just-in-time” travel – something defined as trips booked within three days of departure. According to Expedia, 50% of all bookings made through its hotel app are for same day lodging. Whether it is for holiday packages, airfares or hotel and accommodations, more and more searches are now made last minute, which equates in most cases to mobile devices. This is a new reality,
where estimates vary between 10-30% of all online bookings. Despite of all the talk, a majority of travel industry brands have not yet embraced the mobile revolution. While travellers may be jumping on the “just-in-time” behaviour bandwagon, travel marketers for the most part have lagged, and are thus missing an enormous opportunity.

There are indications everywhere of the recognition that technology has become a lifestyle accessory. Over the past couple of years we have been subjected to a relentless barrage of major algorithm updates and technological changes in the way that search engines organise and prioritise websites in their results pages. One of the most interesting emerging trends is that of the device responsive website – one where the information architecture, navigation and content transforms to the best suit the screen it is being viewed. Whereas the search engines of the past relied on various quantitative signals to estimate a site’s value to the user (inbound links, basic content volume, on-site SEO methods, etc.), the search engines of the very near future will be making qualitative assessments of the quality and usefulness of content, and will use that subjective value judgement to determine the rankings and exposure of each website.

Today, we live in a up-to-date, ever changing technology world, which affects all areas of human life and creates a complex network between economy and media that requires constant interdisciplinary cooperation and adaptation. But the “future” can be anything we want it to be.