

Trends affecting the World Tourism Industry

Globalisation

Economic Trends

- Economic globalisation
- Fluctuating Global Economy
- Asian currency recovery
 - E-commerce
- Effects of the events of September 11
- Polarisation of wealth

Social & Cultural Trends (Developed Countries)

- Decline in the traditional family, more divorces, later marriages, increased number of singles and smaller households
- Increasing number of hours worked amongst managers and professionals
- More flexible work arrangements
- More women in the workforce
 - Increased interest in a balanced lifestyle

Natural Environment

- Global warming
- Increased awareness of environmental sustainability
- Increased international and domestic interest in nature based tourism

Political Trends

- Tourism not always recognised by government or the community (eg economic policy and national accounts)

Technology Trends

- Internet uptake
- Interactive television
- Introduction of mobile technology
- Technological advances in vehicles and equipment, such as satellite mapping systems in cars

Competitive Tourism Environment

- Global online revolution
- Increased internet uptake is significantly affecting the tourism industry's operational and marketing activities
- Greater number of substitutes for travel

- Relatively low exchange rate
- Fluctuating fuel prices
- Effects of the collapse of Ansett
- A decline in traditional industries
- More competition for consumer discretionary income

- Ageing population
- Baby boomers are getting older and more affluent
- Increasingly important seniors market
- Shrinking middle classes
- Increase in short trip experience
- More educated and discerning customers
- Residential population movement to coastal and country areas, driving urbanisation
- In the longer term, it is expected there will be a greater yearning for village life and authentic local experiences in response to globalisation

- Global warming resulting in climate change, particularly in the snowfields and coastal areas

- Regional tourism focus
- Deregulation of Australian airline industry

- Global Online Revolution

- Faster and more comfortable transport increasing the accessibility of regional areas
- Increase in resourcing and strategy development of major competitors

Trends affecting the Australian/Victorian Tourism Industry

Travel Styles

- Growth in combined trips - business/VFR - business/pleasure
- More sophisticated high yield markets
- High yield markets travelling more for business
- High yield markets more discerning
- Short break trend continuing for managers/executives due to less leisure travel time
- More emphasis upon niche/specialised/tailored tourism product across all markets

Travel substitutes

- Dining out, events, shopping, staying 'in', renovations...
- Increase in 'home based' electronic leisure activities
- Ever increasing 'Entertain me' mindset: an expectation to be entertained in all areas of our lives