Helen Marano, Senior Vice-President, Longwoods International & Chairwoman, The Travel Foundation
THE FUTURE OF TRAVEL AND TOURISM THROUGH A GLOBAL LENS
HAPPY VALENTINES DAY TO ALL OF YOU!!!!
Travel and Tourism’s Global Contribution

Key Challenges and Trends

American Traveler and Resident Sentiments

Changing Times

Sustainability and How We Get There

What This All Means For YOU

Our Journey Today
“Benefits” of the Pandemic
(Per OECD TOURISM TRENDS AND POLICIES 2022)

- Awareness of tourism’s role as an economic and social force has been elevated at the highest levels, with governments taking equally unprecedented steps to help tourism businesses, workers and visitors;
- Supported by the emergence of new collaborations across the public and private sectors;
- Accelerated momentum for more sustainable and resilient tourism;
- The opportunity now exists to build on these experiences, to tackle current and future tourism challenges.
GLOBAL CONTRIBUTION AND TRENDS
UNWTO: 2021 vs. 2019

INTERNATIONAL TOURISM RESULTS
2021 (CHANGE % OVER 2019)

- EUROPE: -59% Arrivals, -49% Receipts (in real terms)
- ASIA & THE PACIFIC: -94% Arrivals, -80% Receipts
- AMERICAS: 62% Arrivals, -60% Receipts
- AFRICA: -72% Arrivals, -60% Receipts
- MIDDLE EAST: -71% Arrivals, -39% Receipts
**UNWTO - YTD 2022 Arrivals v. 2019**

The Gap is Closing

### INTERNATIONAL TOURISM 2021 AND 2022

**INTERNATIONAL TOURIST ARRIVALS**

- **-43%**
  - JANUARY-JULY 2022, CHANGE OVER 2019 (%)

<table>
<thead>
<tr>
<th>Period</th>
<th>2021</th>
<th>2022</th>
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<tbody>
<tr>
<td>JAN. - DEC.</td>
<td>-70 %</td>
<td></td>
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<tr>
<td>JAN.</td>
<td>-64 %</td>
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<td>FEB.</td>
<td>-57 %</td>
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<td>MAR.</td>
<td>-51 %</td>
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<td>APR.</td>
<td>-44 %</td>
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<td>MAY.</td>
<td>-38 %</td>
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<td>JUN.</td>
<td>-34 %</td>
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<td>-28 %</td>
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### World: Economic Impact 2022

#### Global Data

<table>
<thead>
<tr>
<th>Year</th>
<th>Total GDP contribution:</th>
<th>Total Travel &amp; Tourism jobs:</th>
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<tr>
<td></td>
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<tr>
<td>2019</td>
<td><strong>10.3%</strong></td>
<td><strong>333 MN</strong></td>
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<tr>
<td></td>
<td><strong>USD 9,630 BN</strong></td>
<td><strong>= 1 in 10 jobs</strong></td>
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<td></td>
<td>Travel &amp; Tourism GDP</td>
<td></td>
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<tr>
<td></td>
<td>change:</td>
<td></td>
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<tr>
<td></td>
<td><strong>-50.4%</strong></td>
<td><strong>271 MN</strong></td>
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<tr>
<td></td>
<td><strong>= USD -4,855 BN</strong></td>
<td><strong>= 1 in 12 jobs</strong></td>
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<tr>
<td></td>
<td>(Economy GDP = -3.3%)</td>
<td><strong>-62.0MN</strong></td>
</tr>
<tr>
<td>2020</td>
<td></td>
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<tr>
<td></td>
<td><strong>5.3%</strong></td>
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<td></td>
<td><strong>USD 4,775 BN</strong></td>
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<td></td>
<td><strong>+21.7%</strong></td>
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<td></td>
<td><strong>= USD 1,038 BN</strong></td>
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<tr>
<td></td>
<td><strong>(Economy GDP = 5.8%)</strong></td>
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<td>2021</td>
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<tr>
<td></td>
<td><strong>6.1%</strong></td>
<td><strong>289 MN</strong></td>
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<tr>
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<td><strong>USD 5,812 BN</strong></td>
<td><strong>= 1 in 11 jobs</strong></td>
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<td></td>
<td>Change in Jobs²:</td>
<td><strong>+18.2MN</strong></td>
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<td></td>
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<td><strong>= + 6.7%</strong></td>
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</table>
2022-2032 key facts:

126 million new jobs

+5.8%
Average Annual Growth (T&T GDP)

vs.

+2.7%
Global Economy GDP average annual growth rate
Regional Forecasted GDP Growth

• The Americas to lead the recovery → 36.8%
  • The Caribbean → 47.3%
  • North America → 7.9%
  • Latin America → 26.0%

• Asia-Pacific → 36.3%
• Africa → 27.7%
• Middle East → 27.1%
• Europe → 23.9%
TODAY’S CHALLENGES

- Climate emergency
- Exclusion and inequity
- Workforce shortages

- Economic uncertainty – inflation, recession
- Political volatilities – Ukraine war, China trade war
- Future crises – health, weather

- Societal Polarization
- Migrant crises
- Low margins
- Overcrowding, Overconsumption, Overdependence
American Traveler and Resident Sentiments About Tourism
2020/2021/2022
COVID-19

TRAVEL SENTIMENT STUDY
WAVE 70

Fielded February 1, 2023
U.S. National Sample of 1,000 adults 18+
Travelers with Travel Plans in the Next Six Months Comparison

IMPACT ON TRAVEL PLANS

Travel Sentiment Study Wave 70
Indicated that Coronavirus Would Greatly Impact their Decision to Travel in the Next Six Months
Impact of Inflation on Decisions to Travel in Next Six Months

Impact Sentiment Study Wave 70

February 1, 2023
- 10% No impact at all
- 12% Slightly impact
- 25% Moderately impact
- 23% Greatly impact
- 29% Extremely impact

January 4, 2023
- 8% No impact at all
- 10% Slightly impact
- 24% Moderately impact
- 28% Greatly impact
- 30% Extremely impact

1 - No impact at all
2 - Slightly impact
3 - Moderately impact
4 - Greatly impact
5 - Extremely impact
Impact of Airfare Prices on Decisions to Travel in Next Six Months

February 1, 2023
- 18%: No impact at all
- 11%: Very little impact
- 24%: Slight impact
- 23%: Moderate impact
- 24%: Greatly impact

January 4, 2023
- 13%: No impact at all
- 9%: Very little impact
- 23%: Slight impact
- 24%: Moderate impact
- 31%: Greatly impact

1 - No impact at all  2  3  4  5 - Greatly impact
American Resident Sentiment About Tourism
2020/2021/2022

A self-completion survey was completed with 4,000 adults (18 years and older) residing in the United States. The sample was distributed as follows:

Midwest 1,000
Northeast 1,000
South 1,000
West 1,000

Fieldwork was completed in July 2022.
Overall, I think tourism is good for my state.
Overall, I think tourism is good for my local area
In general, the positive benefits of tourism **outweigh** the negative impacts.
Times are Changing

- Putting New Destinations on the Map – Rural Towns, Countryside, and back to Cities
- A domestic rediscovery
- Reordering Asian travel – India
- Blended Travel Creates longer stays and Workcations, particularly with younger generation travelers
- Brighter light on wellness
Reframing Success

- Communities
- Natural and built assets
- Equity, diversity and inclusion
- Risk
- Climate and ecological crisis
SUSTAINABILITY – THE PRIORITY – HOW TO GET THERE
www.invisibleburden.org
PARTNERS & COALITIONS

- Working it out together
- Strength of voice
- Fighting Equity and Climate Change
- Transformation Needed
13 Guiding Principles

1. See the whole picture
2. Use sustainability standards
3. Collaborate in destination management
4. Choose quality over quantity
5. Demand fair income distribution
6. Reduce tourism’s burden
7. Redefine economic success
8. Mitigate climate impacts
9. Contain tourism’s land use
10. Diversify source markets
11. Protect sense of place
12. Operate business responsibly
13. Close the loop on resources
The Glasgow Declaration
A COMMITMENT TO A DECADE OF TOURISM CLIMATE ACTION

01-12 NOV 2021
GLASGOW

COP26
The Five Pathways from the Glasgow Declaration

Measure

Decarbonise

Regenerate

Collaborate

Finance
Proposed Decarbonisation Framework to Reach the Net Zero Goal for 2050...

Assumptions
- Emissions within consideration include aviation (72%), accommodation (26%), cruise (2%) and OTAs (<1%), representing a total of 1226 million tCO2 in 2019
- Travel & Tourism sector recovers from the impact of the pandemic to 90% of 2019 levels by 2023
- Growth rates used to forecast emissions from 2024 to 2050 between 3-5% p.a. for each of the industries
- Current ambition scenario decarbonisation rates: aviation and cruise from -3% to -6% CAGR, accommodation -14% CAGR, OTAs -21% CAGR based on target corridors
Building on WTTC’s economic impact research, revealing T&T’s environmental and social footprints. Evidence for sustainability & the sector’s progress on the Sustainable Development Goals (SDGs)

Example of indicators:

- **#Economic**
  - GDP contribution
  - Employment
  
  Goal: with sub-sector breakdowns

- **#Environment #Climate**
  - GHG emissions
    - Scope 1-3 included
  - Water footprint
  - Energy source
  - Air pollution
  - Resource input

- **#Social**
  - Employment
    - (wage, age, gender)
  - Tourism supported jobs

185 countries (global and regional) for 2010, 2019, 2020 and 2021
Position T&T as Guardian of Nature at COP15

195 govts to adopt post-2020 Global Biodiversity Framework

Objective: Recognition of T&T as “Guardian of Nature”

Actions:
1. CBD-endorsed report & industry-endorsed Nature Positive Vision submitted to COP15 proceedings
2. Engage with COP15 delegations
3. Secure interventions in plenary sessions
4. Announce industry commitment (Vision)

What next?
Develop workstreams around priorities identified in report (destination PPC, Visitors, Food…)

WHAT DOES THIS MEAN FOR ALL OF YOU?
REFLECTIONS ON THE WAY FORWARD

- Destinations are the pivotal hub for ensuring success - they are the heart

- Take control - move from tried-and-true itineraries to spiriting change

- Help destinations to hold onto global relationships

- Operators can spirit the change with the destinations - they give the beat to the heart

- Create new experiences reflecting sustainable practices, responsive to consumer demand and community needs

- Embrace collaboration and partnership – use IITA as the springboard
The Wonders of the World
THANK YOU!!!!
INTRODUCING THE PANELISTS...

Jeremy Sampson
Chief Executive Officer,
The Travel Foundation

Sherry Rupert
Chief Executive Office,
American Indian Alaska Native Tourism Association (AIANTA)

Stephanie M. Jones, MBA
CEO & Founder,
Cultural Heritage Economic Alliance and Blacks in Travel and Tourism Cooperative
Jeremy Sampson
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USA
United • Sustainable • Action