FUTURE FOUNDATION

Serving the Traveller of Tomorrow

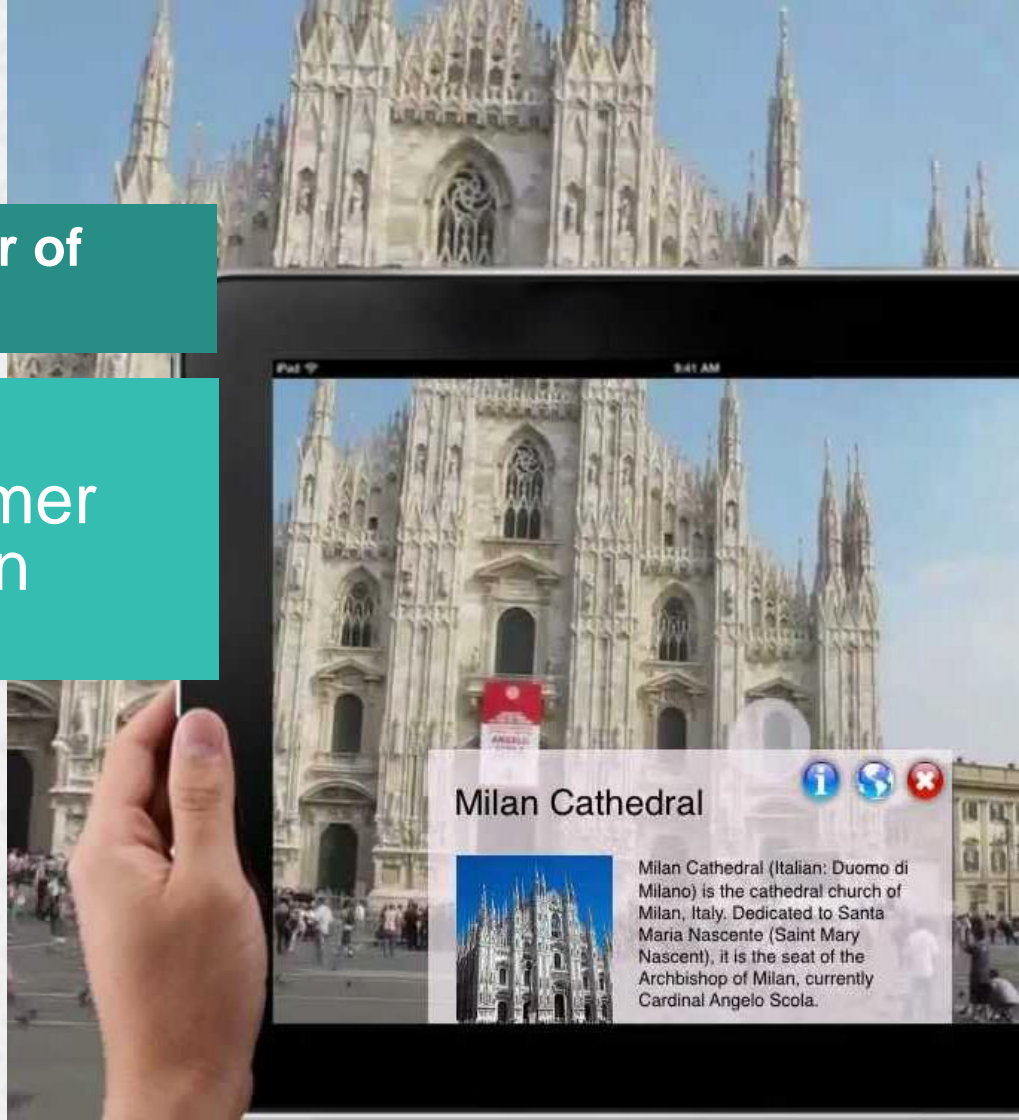## The impact of changing consumer lifestyle trends on travel to Europe

12th TourMIS Users' Workshop

International Seminar on Consumer Trends & the Impact on Tourism

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DRIVERS OF CHANGING CONSUMER LIFESTYLES

Demographic Change

The proportion of the world population of the world aged 55+ years will grow from 17% of the total population now to 22% in 2030.

Economic Change

The developing world is accounting for an ever larger share of global GDP, in what is being termed a rebalancing of global power.

Technological Change

New technologies such as Wearables and Biometrics, Augmented and Virtual Reality, Beacons and Location-based services, Cashless Payments, Real-time language translation, and Drones will have a great impact on travel over the coming decades.

Global Climate Change

The average temperature is projected to be 3°C to 6°C higher by the end of the century

1 End of Adventure?

2 Constructive Tourism

3 Social Living

4 Personality without People

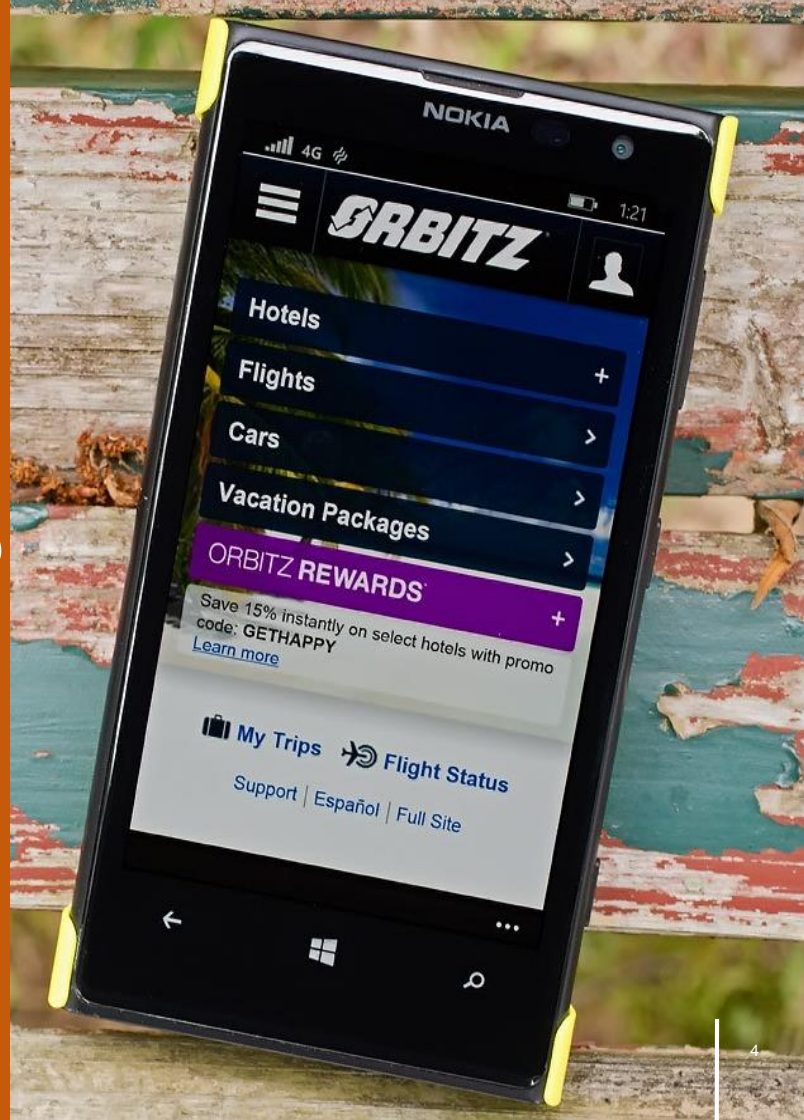**5 No Escape**

1

End of Adventure?

Cruise control

Being *visibly* in control is now a powerful aspiration, as consumers want to show how they are making the most out of every opportunity.

Mobile control

With connected mobile devices such as smartphones and tablets becoming the preferred platforms for our internet activities, brands and companies are invited to prepare for - and engage with - the Mobile First consumer.

THE END OF ADVENTURE

New behaviours around tracking and planning are changing the way in which attitudes about risk and reward are formulated and driving a rise in risk-aversion

Last Minute Living

Lives are becoming more prone to last minute change as people try to always be in the right place, at the right time, with the right people.

Surprise Me!

Consumers seek managed discovery and everyday serendipity in the creative war against the over-programmed life.

ADVENTURE REOLOADED

DEATH OF RISK

CRUISE CONTROL

Cruise control

57% agree "I try to appear in control of my life at all times".

CASE STUDY: JUMEIRAH INSIDE

In November 2015, luxury hotel chain **Jumeirah** launched what it claims to be an industry first : a 360-degree video of the inside of the Burj Al Arab Jumeirah hotel in Dubai, as well as 7 other properties that are part of the brand's portfolio.

The project, which was produced in partnership with **Google**, offers viewers a virtual journey through the flagship luxury hotel, from the Royal Suite or the helipad to the 180 metre high atrium. Reservations can be made at any point during the immersive experience, whether being explored on a laptop, mobile phone or tablet.
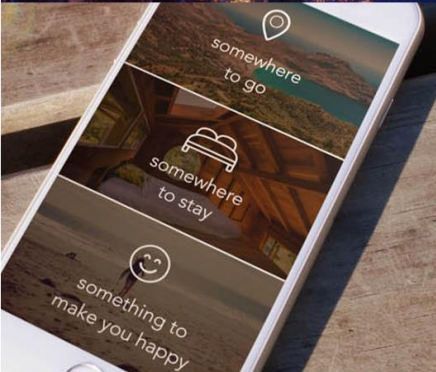
DEATH OF RISK

MOBILE CONTROL

lucky trip

Where will luck take you?

somewhere to go
somewhere to stay
something to make you happy

Set your budget
Let the button decide

Introducing the easiest way to find great trips

A complete trip in just one tap

Say goodbye to hours of planning

Mobile control

57% manage their personal life using notes, alerts, reminders, calendars, etc., on their smartphones at least once a week.

CASE STUDY: LUCKYTRIP

LuckyTrip is an iOS app that offers users complete holiday proposals within a personal budget with a single tap. The app has partnered with Skyscanner for flights, Bookings.com for rooms, and then hand-picks ticketed local attractions to combine into a single package.

ADVENTURE RELOADED

LAST MINUTE LIVING

Last Minute Living

22% agree "I often find myself cancelling plans at the last minute"

CASE STUDY: YPLAN

Services such as YPlan - hailing from California, but now available in London - are helping to drive the possibility of impulse-led living in the first place. It works by detecting users' locations and matching them with nearby events which are normally pre-book only - teaming up with brands to offer leftover West End tickets, last-minute concert seat cancellations or no-shows at gourmet restaurants. As the events on offer are often in high-demand and difficult to book in the first place, the control-conscious mindset actually becomes more perceptive to suggestion.

ADVENTURE RELOADED

SURPRISE ME!

Surprise Me!

55% would be interested in a service that detected their location and suggested interesting things to spontaneously see and do in the nearby area.

CASE STUDY: ICELAND AIR SURPRISE STOPOVERS
For Kat, a food-loving photographer from Seattle, the gastronomical trip of a lifetime was brought to life by Icelandair as a part of their new #Mystopover campaign.

KEY IMPLICATIONS FOR NTOs

PROVIDING CONTROL

1. Live streaming apps: a direct online view of current conditions within a travel market
2. Augmented Reality can improve in-destination experience
3. Virtual Reality offer pre-experience of destinations and attractions
4. Drones as a modern, innovative and novel marketing outreach tool

PROVIDING SURPRISES IN A CONTROLLED WORLD

1. Incentivise potential and actual visitors to share their personal data with them
2. Explore partnerships with data providers
3. Make it routine to ask visitors to their websites for permission to access social networks
4. NTOs will need to bring data science expertise in-house or be prepared to outsource it
5. Personalisation: So far only the beginning. Embrace innovation
6. Be open to biometrics

2

Constructive Tourism

Cult of Creativity

Creativity carries such strong social capital that the aspiration to broadcast creative endeavours is high.

Dark Tourism

locations notorious for their associations with darker moments of human history into are transforming into veritable and well-attended touristic destinations

Liquid Skills

Consumers increasingly understand how to effortlessly and regularly re-skill and how to harness and advertise her new knowledge.

CONSTRUCTIVE TOURISM

Consumers around the world are increasingly redefining constructive behaviours as genuine enjoyment. We assess six trends spread across two main themes that show how this is developing.

Everyday Athlete

a growing drive among consumers to attack life with an athlete's mindset and professionalise their approaches to health, etc

Great Minds

The mind becomes the next frontier for exploration, experimentation and optimisation.

WORLD WIDE WELLNESS

LEISURE UPGRADE

CULT OF CREATIVITY

Cult of Creativity

61% who take photos on their smartphone 1-3 times a week or more.

In summer 2015, **Airbnb** partnered with China's leading fashion boutique **DongLiang** for the Designers Home Project.

As part of the project, 7 Chinese designers were commissioned to travel to 7 destinations (including Iceland, Milan and Kyoto) and record their trips with a Super 8 film camera.

LEISURE UPGRADE

LIQUID SKILLS

Liquid Skills

52% who describe learning a new skill or activity as valuable to their overall entertainment.

CASE STUDY: DELTA AIRLINES

In December 2014, **Delta Airlines** expanded its in-flight drinks menu with a selection of regional craft beers in a bid to bring more local options to its passengers.

Among others, the selection included beer from **Ballast Point Brewing Company** (San Francisco), **Brooklyn Brewery** (New York) and **Samuel Adams** (Boston), ensuring that passengers on any route could be offered a local craft beer on their flights.

LEISURE UPGRADE

DARK TOURISM

REALITY TOURS & TRAVEL

TOURS   WHY REALITY?   OUR GUIDES

Dharavi Tour

Dharavi Tour (Car Transfer)

Dark Tourism

47% agree "I am interested in visiting sites associated with historical tragedies while on holiday".

CASE STUDY: Dharavi visitsurs by Reality Tours
Many people know Dharavi as the 'largest slum in Asia', but there is so much more to this historic area of Mumbai than poverty. Dharavi's industries have an annual turnover of approximately US$ 665 million.

Through the tour visitors experience a wide range of these activities: recycling, pottery-making, embroidery, bakery, soap factory, leather tanning, poppadom-making and others. Most of these things are created in innovative ways and in very small spaces.

GREAT MINDS

The Mindful Travel Company offers retreats and adventure holidays which they say are aimed at the "mindful consumer".

Great Minds

58% who have practiced mindfulness or meditation or are interested in doing so.

HEADSPACE*
TREAT YOUR HEAD RIGHT

Headspace is meditation made simple. Install today to learn meditation and mindfulness in just 10 minutes a day.

WORLD WIDE WELLNESS

EVERYDAY ATHLETE

Everyday Athlete

65% agree "Keeping physically fit and active is important to my identity".

MIDMORNING BLEND

74% DISPENSED

● MACRONUTRIENTS 19 g
● VITAMINS 1.3 mcg
● MINERALS 1,000 mg

CASE STUDY: Nourish

Nourish is a service that recommends personalised supplement combinations to fitness enthusiasts.

Nourish is a mobile tool that synchronises with users' fitness/health tracking apps and devices (including the **Apple Watch**) and uses the data sourced to recommend several supplement combinations based on their specific needs.

KEY IMPLICATIONS FOR NTOs

OFFER LEARNING and CHALLENGE

1. Tap into expertise of local citizens to provide a more authentic, less sanitised experience of life in their country or city

2. NTOs must fight the natural inclination to showcase only the best of their country.

WELLNESS

1. Each NTO needs to establish a clear view on what definition of wellness tourism is most appropriate for its market.

2. NTOs should look to incorporate wellness versions into their standard offerings

3

Social Living

Consumer Capital

In the emerging data economy, consumers are becoming aware of the power of personal data as a commodity to be utilised for marketplace advantage.

Timehopping

social media is becoming about more than a means to share content – consumers are increasingly using it to fulfill the need to keep a record of their own personal history

SOCIAL LIVING

Consumers today socialise online and look to friends, family and contacts to provide unbiased recommendations and advice. We assess three key social trends in two categories

Connected Communities

How we are using existing social networks and new messaging services more purposefully to conduct smaller conversations focussed on specific needs or interests.

PERFORMATIVE LEISURE

CONSUMER CAPITAL

Consumer Capital

47% who would give permission to companies to use their data to get special offers or discounts.
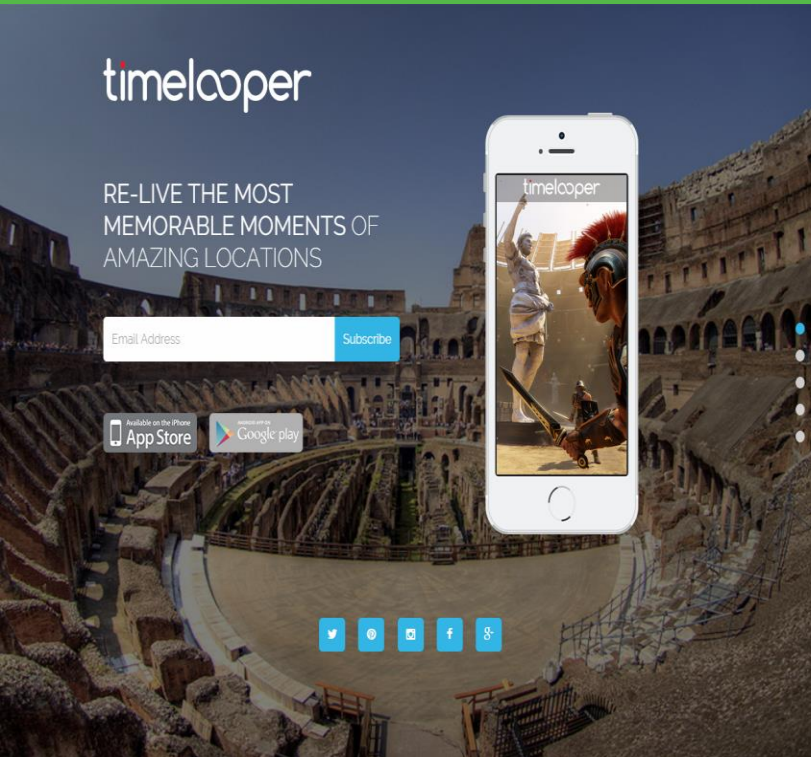
CASE STUDY: Smart Vend Solutions

This smart vending machine uses facial recognition technology. Once the machine has identified a user, it will remember them and create a profile detailing the customer's preferences, making it easier for repeated customers to reorder popular products.

TIMEHOPPING

Timehopping

33% who use social networks to keep a record of the most important moments in their life.

CASE STUDY: Timelooper
A virtual reality time travel app that exponentially enhances your trip experience when you visit exciting sites and attractions around the world.

The location-based, 360-degree videos, viewed on a smartphone with or without a virtual reality viewer like Google cardboard or Oculus Rift, allow people to relive the most memorable moments of amazing places.

PEER POWER

CONNECTED COMMUNITIES

Connected Communities

40% who have used or are interested in a peer-to-peer household item lending service or a rideshare carpooling service.

CASE STUDY LobbyFriend is an app which creates chat rooms for guests who are staying at the same hotel, at the same time. The goal is to connect lone guests, primarily business travellers, who want to socialise with like-minded people while travelling on their own.

The tool can also be used to informally connect attendees of a conference or events. The app is managed by the participating hotels, which means that once guests check out, they are removed from the system.

KEY IMPLICATIONS FOR NTOs

TRANSITIONING AWAY FROM TRADITIONAL OUTREACH

1. Encourage sharing of in-destination content by visitors

2. Include user generated content whenever possible

3. Begin to transition their marketing budget into content marketing, identifying key media partners in key target markets.

4. Use key social networks as their main customer service channels.

5. Accommodation staff and attraction tour guides should receive social media training

6. Add "Share", "Like" and "Follow" buttons and review widgets wherever possible to enable website visitors to share your content for you

4

Personality without People

Cashless Society

Contactless cards, NFC/Web-enabled phones and digital wallets will transform payment methods.

PERSONALITY WITHOUT PEOPLE

The consumer appetite for online remote services or in-person automation is warming – but slowly. We still see an underlying need for emotional understanding and security alongside the growing need for efficiency and immediacy based around three trends in two areas.

Emojinal Intelligence

Engagement and empathy via emotion is the new route to the consumer's heart. Brands look to new, light touchpoints, such as emojis, to break down consumer barriers.

Conversational Commerce

allows consumers and businesses to interact directly through IM - in an informal way as and when is convenient for the consumer.

## COMPUTERES LEARN HUMAN

DE-POP!

CASHLESS SOCIETY

Tomorrowland is one of the biggest electronic music festivals held in the world, taking place in Boom, Belgium, each July since 2005. Around 180,000 people attend. It has also added Brazil and US events to its roster. Tomorrowland is a cashless festival – all payments are made via credits (Pearls) loaded onto individualised bracelets

COMPUTERS LEARN HUMAN
EMOJINAL INTELLIGENCE
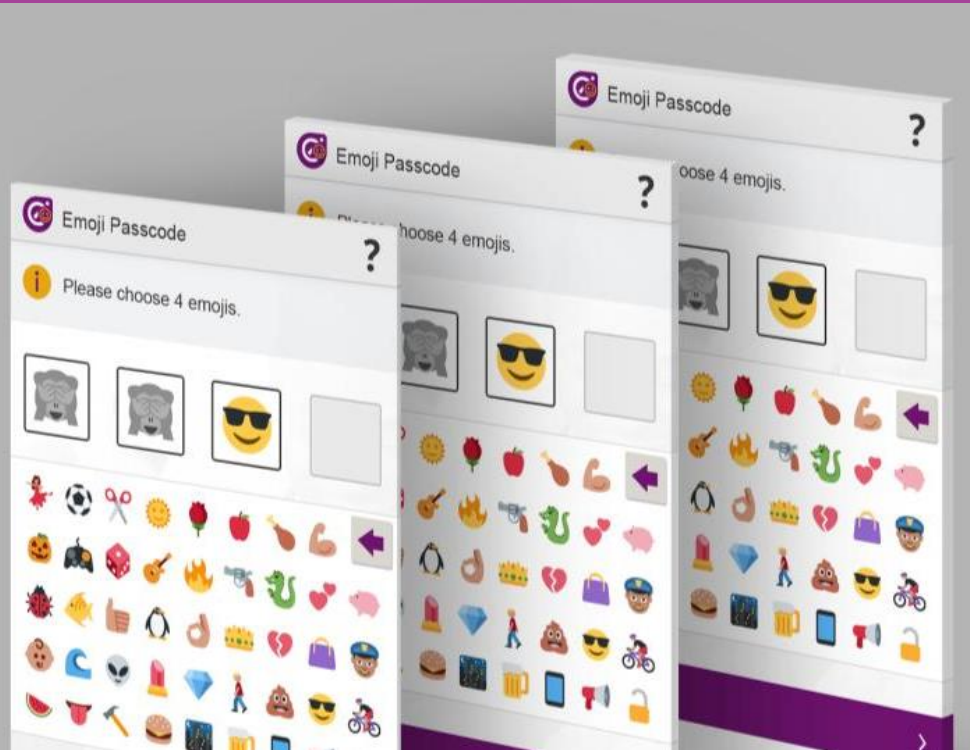
In June 2015, the British technology firm **Intelligent Environments** introduced the "world's first emoji-only passcode".

The emoji-based PINs are not only said to be easier to remember than passwords or traditional number codes, they are also claimed to be mathematically more secure than these other types of PINs.

Emoji Passcode has been integrated into Intelligent Environments' Android digital banking app and lets users choose their code from a set of 44 emoji.

COMPUTERS LEARN HUMAN

CONVERSATIONAL COMMERCE

Conversational Commerce has been a feature of China's largest social network - **WeChat** - since 2013, when Official Accounts were launched on the platform.

It has become an all-encompassing platform for conversation, advice, ordering products, making payments, and service after-care, and consumers now use messages in instances where it seems unnecessary or potentially *more* time-consuming, for example to carry out online banking.

To avoid consumers being spammed with advertising, **WeChat** has established strict restrictions on the number of advertising messages companies can push to consumers: with a Subscription account, companies can send 1 message per day, with a Service account, just 1 message per week is permitted.
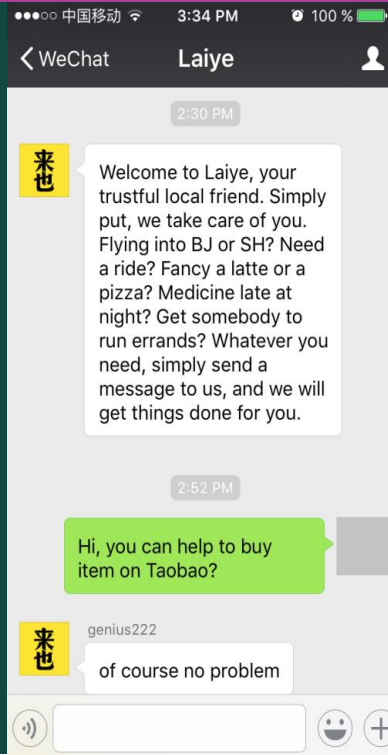
KEY IMPLICATIONS FOR NTOs

EMPHASISING CONVENIENCE & CHOICE

1. Reassess processes, providing human and automated versions to cater for alternative groups of visitors.
2. Capitalise on the novelty value of automated solutions to secure public attention and PR

OPTIMISING IN-PERSON INTERACTIONS

1. Innovate in overlaying data onto customer interactions.
2. Be early adopters of the Google Glass reimagining
3. Ensure the ready supply of consumer service history data to maximise the usefulness of "algorithm-driven" customer service.

OPTIMISING DIGITAL INTERACTIONS

1. Include emotional language (eg emojs)in digitised communications.
2. Use emotional communication "settings" - ie chat platforms - to give consumers a feeling of "face-to-face" service in online interactions.

5

No Escape

The Power of Quiet

Embracing a culture of creative minimalism - inside our homes, our retail spaces and our work-lives
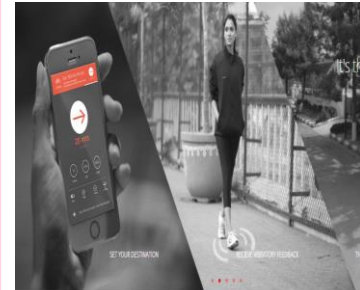

NO ESCAPE

The consumer desire for a "digital detox" will undergo profound change over the coming decades. With strong ties to health and wellbeing but serious challenges to control, we explore underlying needs.

Casual Connectivity

Why tomorrow's connected, wearable devices promise *less* interruption, not more.. **T**echnology will *know* when not to disturb us.

POWER OF QUIET

◄ In November 2013, the **Abu Ghosh** restaurant (located in an Arab village outside Jerusalem) announced it would be offering a 50% discount to diners who switched their mobile phones off while visiting the restaurant.

According to the restaurant owner, Jawdat Ibrahim, in an interview with the Haaretz newspaper, smartphones and mobile phones have "destroyed the modern dining experience… I'm changing something, it may be something small, but in some small way I'll be changing the culture of eating".

CASUAL CONNECTIVITY
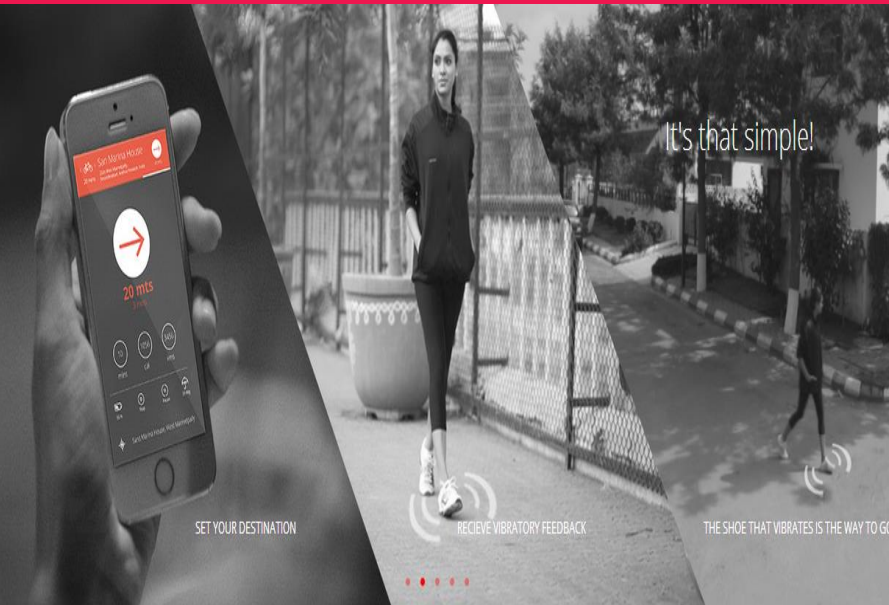
Lechal's genesis was an interest in seeing if haptic technology could change the way the visually-challenged navigate.

From the first clunky prototype to the initial tests with visually-impaired users to the collaboration with L.V. Prasad Eye Institute to the stylish footwear Lechal is today, its product development cycle has been defined by that first instinct.

That initial notion has evolved into a philosophy of inclusivity, where we strive towards making products that can be used by as many people as possible without having to adapt or customise the design.

The principles of inclusive design flow through every stitch and switch in Lechal footwear.

NAVIGATION   FITNESS   INTERACTION   SMART-ASSIST   ACCESSIBILITY

KEY IMPLICATIONS FOR NTOs

SHORT-TERM: ALLOWING DOWNTIME

1. Respect those wanting privacy and downtime. Targeting of information should only ever be permission-based.

2. "Digital detox" offerings need to work fast to maximise the return they enjoy from a consumer need that will not last long-term.

LONGER-TERM: MAKE CONNECTIVITY CASUAL

1. Be alert to the rise of casual connectivity and the consequent decline in appeal of digital detox options.

2. Look to leverage Internet of Things connectivity and visitors' datastreams to automatically offer up content, advice and information without being asked.

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Milan Cathedral

Milan Cathedral (Italian: Duomo di Milano) is the cathedral church of Milan, Italy. Dedicated to Santa Maria Nascente (Saint Mary Nascent), it is the seat of the Archbishop of Milan, currently Cardinal Angelo Scola.