



TOURISM TRENDS AND POLICIES 2010

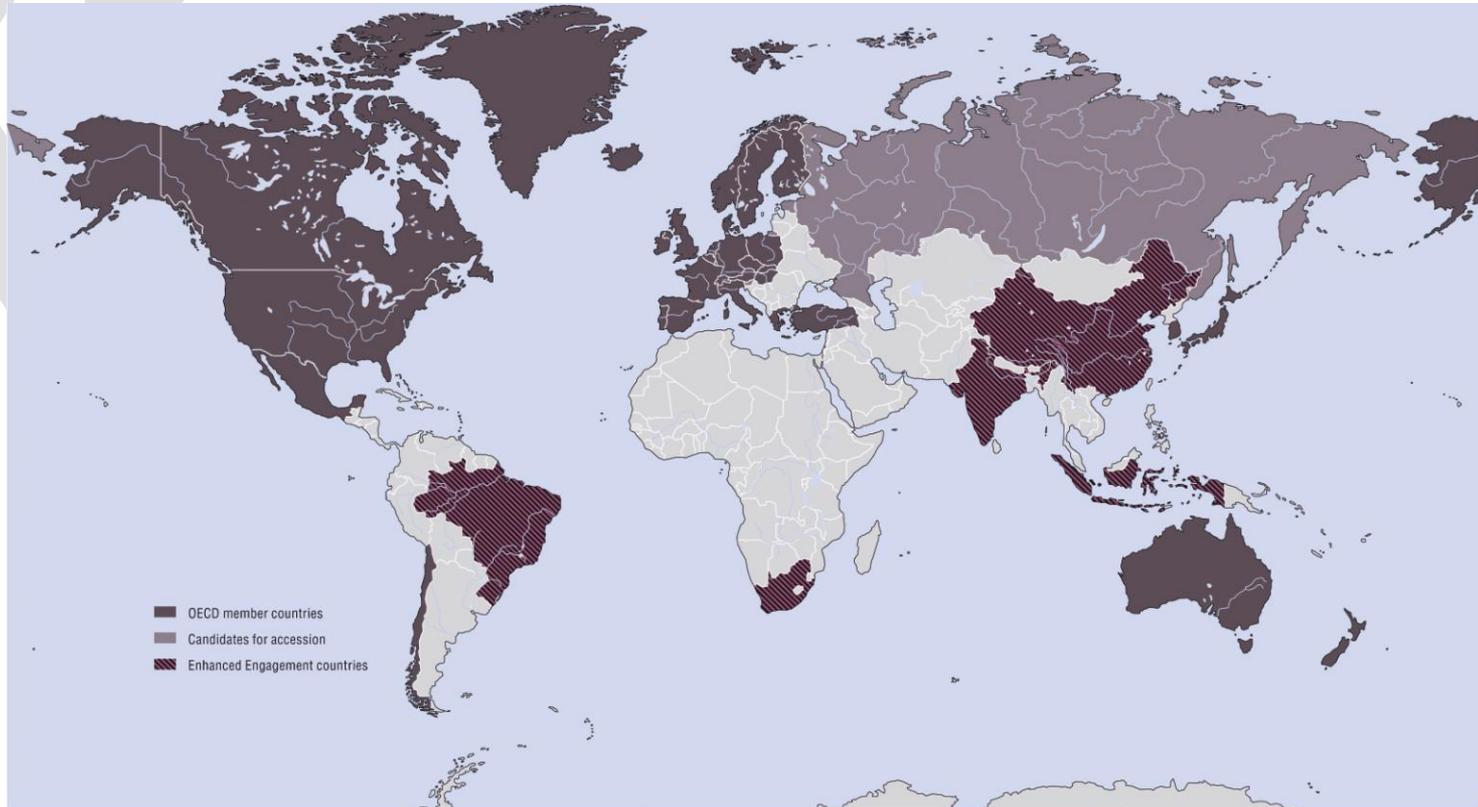
TRENTO

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Centre for Entrepreneurship,
SMEs and Local Development

THE OECD



➤ 34 OECD member countries

➤ 1 Candidate for Accession

➤ 5 Enhanced Engagement partners

THE OECD

- OECD works with governments to:
 - Support sustainable economic growth
 - Boost employment
 - Raise living standards
 - Maintain financial stability
 - Assist other countries' economic development
 - Contribute to growth in world trade
- Provides a setting to compare policy experiences, seek answers to common problems, identify good practice and coordinate domestic and international policies.

THE OECD TOURISM COMMITTEE

- Several competitive advantages
 - A long standing Committee, created in 1948
 - A strong statistical capacity
 - A strategic focus centred on economic analysis/intelligence and tourism policy performance
 - The recognized expertise of OECD staff and economists

PROGRAMME OF WORK

- Committee currently finalising the 2009/10 biennial programme of work. Key projects:
 - Enhancing evaluation in tourism
 - Enhancing skills development for competitiveness in tourism
 - Sustainable tourism development and climate change
 - A review of tourism issues and policies in Italy
 - OECD Tourism Trends and Policies 2010
- Recent events:
 - 10th International Forum on Tourism Statistics (Q4 2010 Portugal)
 - Workshop on Education and Training for Competitiveness and Growth in Tourism (Q4 2010 Egypt)
 - Workshop on Korean Cuisine in Tourism (Q4 2010 Korea)

OECD TRENDS AND POLICIES 2010

- An analysis of trends and policies in 42 countries, including all OECD countries and selected non member economies such as Chile, Brazil, India, South Africa and Egypt
- Detailed policy and statistical profiles for each country. All 264 tables in the report have *OECD Stat Links* and are fully downloadable as Excel tables.
- A set of policy recommendations on how countries can make their tourism industries more innovative, competitive and sustainable.
- A review of the impact of the crisis on tourism

TOURISM AND THE GLOBAL FINANCIAL AND ECONOMIC CRISIS

- International tourism was more affected more than domestic tourism, business tourism more than leisure tourism, hotels more than other accommodation and air transport more than other transport.
- Furthermore, a reduction in household disposable income, erosion of consumer confidence, the impact of fluctuating energy costs and shifts in source markets, remain issues for many countries.

TOURISM AND THE GLOBAL FINANCIAL AND ECONOMIC CRISIS

- The latest UNWTO barometer highlights the impact of crisis and recovery for international tourism:
 - Tourism flows began to decline in the second half of 2008, deepened in 2009 (-4.2%), and have increased by 7% between Jan & Aug 2010.
 - International Tourism Receipts have followed a similar upward trend, but at a more moderate pace (5%-6%).
 - Emerging economies are leading the way growing at 8% (5% for advanced economies).
 - All world regions now showing positive results although at different speeds (eg. Middle East 16%, Asia/Pacific 14%, Africa 9%, Americas 8% and Europe 3%).

TOURISM AND THE GLOBAL FINANCIAL AND ECONOMIC CRISIS

- Full year forecasts for international arrivals in 2010 & 2011:
 - 2010 full year forecast for international arrivals is 5%-6%.
 - For 2011, more moderate growth expected of between 4%-5%
- Tourism has been seriously impacted by the global crisis, but less than other export sectors. It has proven to be resilient and dynamic, and a key driver in creating jobs and growth.

OECD COUNTRIES PLAY A PREDOMINANT ROLE IN THE WORLD TOURISM MARKET

- In 2008, OECD countries still accounted for **57%** of international tourist arrivals and for **67%** of the corresponding travel receipts. However, OECD countries are losing market share.
- During the last 20 years, the growth rate of tourism arrivals in OECD countries has averaged **2.8%** per year, well ahead of the GDP growth rate of 2.4% for the zone.
- In the OECD area, the employment growth rate in the tourism industry exceeded **2%** per year between 2000 and 2007, more than a percentage point ahead of the total employment growth rate.

RECENT TRENDS IN TOURISM

- Domestic tourism is playing a predominant role.
 - For the OECD area, domestic tourism consumption accounts for about 75% of tourism consumption within the zone.
- International tourism is highly sensitive to external factors.
 - The performance of international tourism is closely linked to that of the world economy
- New emerging destinations are changing tourism.
 - World tourism is shifting to the South and the East (Asia-Pacific, Africa and the Middle East have taken a significant share of world tourism).
- Share of air travel share is growing (46.9% in 2007).

RECENT TRENDS IN TOURISM

- Leisure and vacation travel dominates
 - Leisure is by far the most important purpose of visit (>50% of arrivals).
- Tendency towards shorter stays
 - The shrinking duration of tourist trips is closely linked to changing lifestyles and developments in the means of transport.
- Online reservations continue to rise
 - In many countries more than 25% of individuals have booked travel or accommodation on the Internet.
- SMEs play an important role
 - In the hotel, restaurant and travel agencies sectors, SMEs are responsible for at least 60% of employment in nearly all OECD countries.

KEY CHALLENGES FACING TOURISM

- Globalisation and changing markets
 - Tourism industry is vulnerable to the changing market realities that globalisation brings
- Economy-wide impact of tourism
 - Tourism creates vital forward and backward linkages with other sectors of the economy
- Climate change and sustainability
 - Tourism is estimated to contribute up to 5.3% of global anthropogenic greenhouse gas emissions with transport accounting for about 75% of this.

KEY CHALLENGES FACING TOURISM

- The knowledge economy
 - The Internet has fundamentally changed the international tourism industry and its interactions with consumers.
- Human resources
 - The provision of appropriate education and training schemes is a key area for the promotion of innovation and for the achievement of productivity improvements in the tourism industry.
- Productivity and competitiveness
 - in OECD economies, many sectors have grown more rapidly than tourism. Tackling productivity is thus becoming increasingly urgent within the tourism industry

CHALLENGES FOR DEVELOPMENT AT LOCAL LEVEL

- A recent report by the OECD on Sustainable Tourism and Local Development in Apulia region. Examples of challenges included need to:
 - Integrate tourism into wider regional development strategy
 - Raise participation of local citizens and private decision makers in tourism development
 - Better define and promote competitive tourism assets
 - Improve internal mobility and external accessibility
 - Better define tourist targets: new products for specific niches
 - Better branding of Apulia
 - Foster education and training for the tourism sector
 - Develop an evaluation framework of tourism and local development policy

POLICIES TO PROMOTE COMPETITIVE, INNOVATIVE AND SUSTAINABLE TOURISM

- A strong public sector management and a multi-actor system of governance should support tourism, notably by:
 - establishing a comprehensive policy framework;
 - promoting a coherent policy framework through a “whole of government” approach;
 - encouraging a culture of co-operation among tourism actors; and
 - implementing evaluation and performance assessment of government policies and programmes affecting tourism development.

POLICIES TO PROMOTE COMPETITIVE, INNOVATIVE AND SUSTAINABLE TOURISM

- Specific programmes may include:
 - stimulating innovation mechanisms, productivity-based growth and quality;
 - improving and promoting the attractiveness of employment in tourism;
 - enhancing and promoting the uniqueness of the destination;
 - making tourism development more energy efficient and sustainable;
 - reducing obstacles to the development of tourism; and
 - building up tourism knowledge, notably promote an increasing use of the Tourism Satellite Account.

THE OECD TOURISM COMMITTEE

Visit or email

www.oecd.org/cfe/tourism

Alain.dupeyras@oecd.org

Publications

- ❖ OECD Tourism Trends and Policies 2010
- ❖ The Impact of Culture on Tourism
- ❖ Innovation and Growth in Tourism

