



GLOBAL TOURISM - 'Geography Explained' Fact Sheet

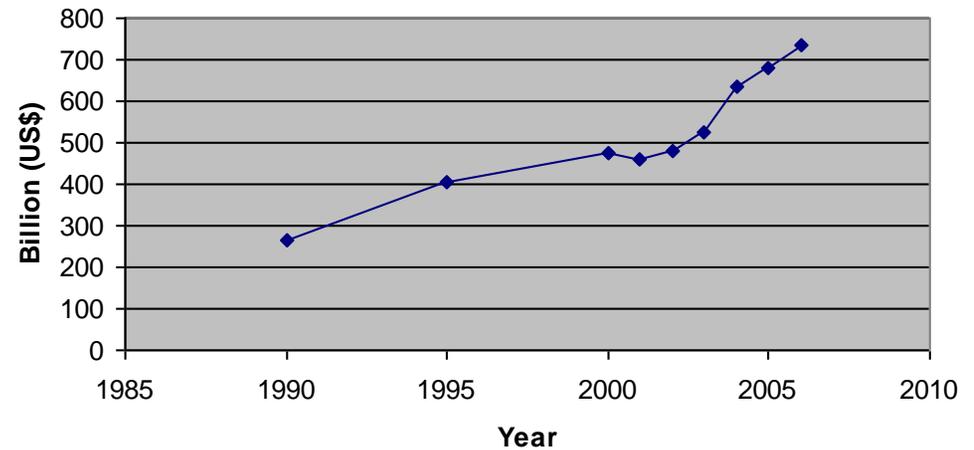
Introduction

With almost all the leading tourist destination countries having reported their international tourism receipts for 2006, the WTO estimates that 2006 will be yet another record breaking year with international tourism receipts reaching \$735 billion, an increase of \$57 billion from 2005.

Forecasts for 2007 predict yet more growth. The WTO's Tourism Barometer Report showed that in the first four months of 2007, 252 million people travelled internationally, an increase of 6% (or 15 million arrivals) compared with the same period in 2006.

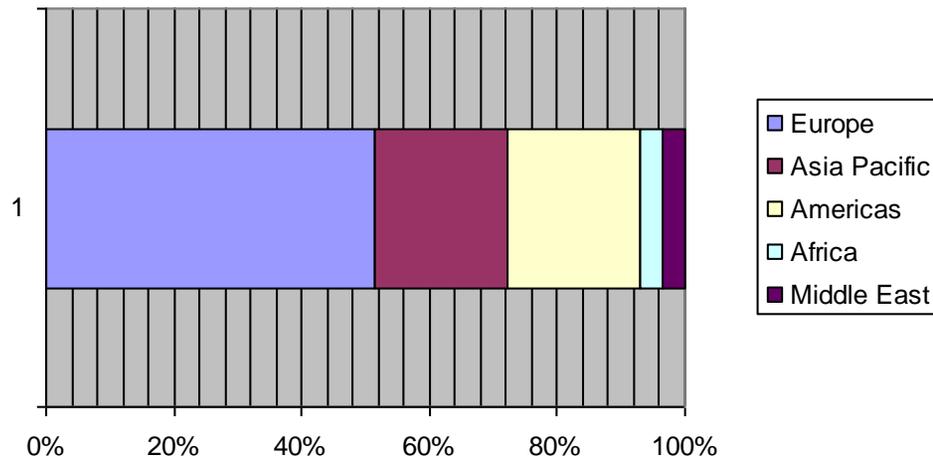
Today, there is no doubt that tourism is the world's biggest 'earner' and 'employer'. Where are all these people going? Europe remains the most popular destination, with an estimated 377.6 billion being spent by foreign visitors during 2006, an increase of 27.1 billion (or 4.3%) from 2005.

International Tourism Receipts (WTO)



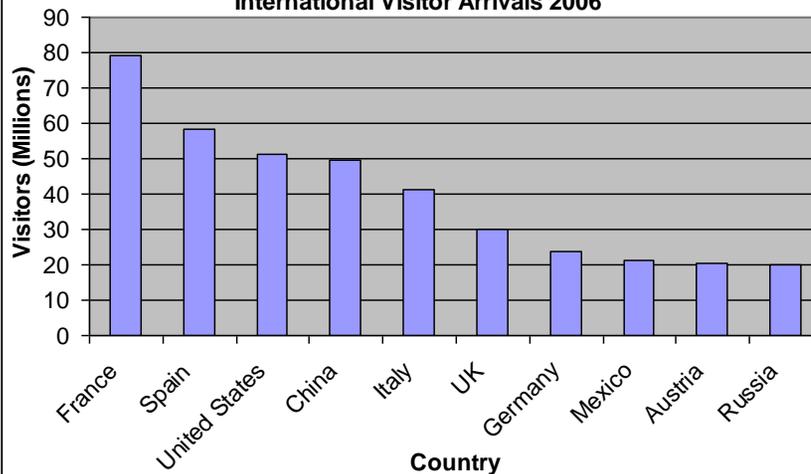


International Tourism Receipts



But what is a tourist and what does the tourism industry include? Most people think of summer holidaymakers when they hear the word, but almost anyone who travels anywhere at any time may be viewed as a tourist. A commonly used definition of a tourist 'is a temporary visitor staying away from home for at least a day, for the purpose of holidaying (recreation, leisure or visiting friends and family), or for business reasons'. Tourism refers to the activities a tourist is involved in and the services that support them.

International Visitor Arrivals 2006



Tourists may stay within their own country (domestic tourism) or they may travel abroad (international tourism). Domestic tourism is an important aspect of the industry which is often overlooked, as the size and impact of the industry is difficult to quantify. To illustrate the size of this industry; around 95% of all trips taken by Americans are domestic, whilst the UK Tourism Survey estimates that over 125 million such journeys are made in Britain each year.



**Visitors on Holiday in Britain, in one year
(millions)**

Region	Domestic	Overseas
London & the SE	20.2	15.2
NW England & Lakes	12.8	1.5
Yorkshire & NE England	9.7	1.3
Heart of England	16.7	2.3
South & South West England	26..1	3.7
Scotland	7.0	1.7
Wales	7.2	0.3
East of England	8.5	1.8

**How has
tourism
grown?**

In the late 18th Century wealthy young men in Britain and Europe finished their education by taking the Grand Tour of the historical sites of Europe (hence the term Tourist), marking the beginning of the Tourism industry.

At the same time, there were also growing rates of urbanisation. The newly formed railway companies were quick to realise the desire amongst most city dwellers to leave their urban surroundings whenever possible, and started to offer passenger services to coastal destinations. By the late 19th century coastal resorts such as Blackpool, Brighton and Bournemouth were providing accommodation and amusements to support the booming tourism industry. Although leisure time and disposable income remained limited at the beginning of the 20th century, interest in travelling grew. Coastal resorts continued to expand as evermore people could afford to travel and stay away from home. After the Second World War there was a greater interest in travelling abroad, stimulated by overseas soldiers returning home. Package holidays were developed to meet this growth in interest. By the early 1960s millions were visiting Europe for a week (or two) of sun, the majority heading for the coast of Spain.

During the 1980s tourists became less satisfied with packages to European coastal resorts and sought holidays further a field, in places with different environments and cultures. Long-haul destinations,



particularly those in less developed countries, benefited most from this change in holiday fashion.

The increasing tendency of British holidaymakers to go abroad for guaranteed sun has hit many traditional resorts hard. However, as the average tourist now takes more short breaks in addition to their main holiday, the two week summer break is not the only time to make money. Older resorts are attracting people throughout the year and are providing additional facilities to cater for a wider cross-section of the public.

Where UK Residents Took their Foreign Holidays in 2003	
Spain	27.5
France	20.2
USA	7.0
Greece	5.3
Italy	4.0
Portugal	3.6
Republic of Ireland	3.5
Turkey	3.0
Netherlands	2.7
Others	23.2

Source: United Kingdom Tourism Survey 2003

Why has Tourism Grown?

Apart from 1992 (due mainly to the first gulf war) and 2001 (due mainly to the September 11th terrorist attacks) visitor numbers and travel receipts have risen every year since accurate records began in the 1950s.

This growth has been the result of a number of key factors: **Economic** - Greater affluence, Longer paid holidays, **Social** – advertising and education has led to an expectation and desire to travel; and **Industry Developments** – faster, cheaper, and more reliable transport, package holidays, new attractions and new destinations.



What is the impact of tourism?

The 'World Travel and Tourism Council' suggests that 10.6% of the world's GDP and 8.3% of global employment depends directly or indirectly on travel and tourism, making tourism the world's most important industry.

Not surprisingly, many less developed nations have attempted to establish a tourism industry to try and gain a share of the industry's prosperity. Many of these countries have viewed tourism as an important way of achieving development and increased prosperity. However, only a limited number of LEDCs have been able to profit from tourism, and for some of these counties there have also been negative impacts created by the growing tourist industry

Key Word: Leakage – Money paid for a holiday which goes to companies based in the rich world rather than the host destination.

Although local regions may benefit greater from the development of a tourism enclave, through direct employment and improved market opportunities, the impact at a national scale is often disappointing. Many LEDCs have found tourism a 'leaky' industry, which without careful planning and management can result in few long term benefits. Money leaks to travel agents, tour operators, airlines, international hotel chains and imported food companies. In 2005 nearly 75% of Kenyan Hotels were foreign owned, as were all of the charter airlines serving the country.



<p>Recent Developments</p>	<p>The Internet: 10% of European travel sales are now online and between 2003 – 2005 sales increased by 80%, according to the Centre for Tourism Research. In the UK, Mintel reported more people are now booking their holidays independently than by taking pre-arranged package tours. Even where bookings are made through traditional outlets, customers have often researched the resort, hotel, and airline online before making the reservation.</p> <p>Budget Airlines: Low Cost airlines have grown dramatically since the turn of the century. Led by Ireland's Ryanair and Britain's Easyjet, over 20 European countries now have their own no-frills carriers, with more seemingly emerging everyday. In 2005 100 million customers flew with a low cost airline compared with 50 million in 2003. The success of these new airlines has also led to an expansion of regional airports and is partly the reason for the rapid growth in popularity of city/short-breaks.</p> <p>Ethical (Responsible) Tourism: This increasingly popular type of travel seeks to ensure that tourism development respects the geographical and social environment. This may include involving local communities, sharing the economic benefits fairly, and ensuring that any development makes maximum use of sustainable local resources. Ethical tourism has proved particularly popular amongst tourists visiting LEDC destinations, offering emerging regions with an alternative route to 'mass' tourism.</p>
<p>What is the future for tourism?</p>	<p>Overview:</p> <p>The WTO's 2020 Vision forecasts that worldwide international arrivals are likely to exceed 1.56 billion by 2020. The most significant medium-term change is likely to be the emergence of China, not only as a destination but also as a source of tourists. The relaxation of travel restrictions and China's rapidly growing prosperity has already led to international departures more than doubling between 2000 and 2004. By many estimates, China will be supplying more tourists than any other country by 2010. China's impact on the global tourism market is already being felt; in 2006 China overtook Italy to become the sixth largest tourism spender, spending \$26 billion on foreign visits.</p> <p>New Trends:</p> <p>The global tourist is becoming ever more demanding and adventurous, resulting in the industry providing</p>



an ever larger arrange of destinations and services. Although Europe is likely to remain the world's most popular destination, a number of 'new' regions are likely to experience rapid tourism growth over the next twenty years as the discerning tourist looks to untouched destinations. Stable regions in South America, Africa and South East Asia are all predicted to experience tourism booms.

Changes to services are likely to have a bigger impact than that of destination. A new ethical dimension is being added with an increased emphasis on responsible and sustainable tourism. Special interest holidays have been growing steadily during recent years and the trend shows no sign of stopping. Adventure holidays, cruising, winter sports and city breaks are all expected to grow significantly.

Potential Threats:

The WTO prediction of growth is not constant, with significant dips predicted due to a range of factors including impact of terrorism, oil prices rises, and disease (SARs and Avian Flu).

The availability and cost of fuel is of increasing concern and many in the transport industry fear that a rapid rise in fuel prices could hit the industry dramatically, particularly the recently established long haul destinations.

War and terrorism have put some countries off-limits for tourists and has deterred people from travelling to certain areas and discouraged the use of some forms of transport. The 9/11 attack on the World Trade damaged the airline industry significantly, leading to a number of carriers filing for bankruptcy. It is unlikely the global tensions affecting the industry today will diminish in the foreseeable future.

Any introduction of 'green' taxes on air travel in order to offset the environmental cost of carbon emissions produced is likely, in the future, to have an impact on the cost of flights for consumers and could make short haul travel and destinations that can be reached by other modes of transport more popular with tourists.