

# **Forces Shaping the Future of Australian Tourist Attractions**

## **TRENDS AND CHALLENGES LEADING UP TO 2020**

***Pierre Benckendorff***

Published by:

**School of Business**

James Cook University  
Townsville, Queensland, 4811  
Australia

First published 2004.

Copyright © 2004, School of Business, James Cook University.  
All rights reserved.

Apart from any fair dealing for the purposes of study, research, criticism or review, as permitted under the Copyright Act, no part may be reproduced by any process without acknowledgement of the copyright holder.

Every effort has been made to trace and acknowledge copyright material. Additional authors and owners of copyright are named in on-page citations.

---

**National Library of Australia Cataloguing-in-Publication data:**

Benckendorff, Pierre.

Forces shaping the future of Australian tourist attractions :  
trends and challenges leading up to 2020.

ISBN 0 86443 732 3.

1. Tourism - Australia. 2. Tourism - Australia - Planning.  
3. Tourism - Economic aspects - Australia. 4. Tourism -  
Environmental aspects - Australia. 5. Tourism - Marketing -  
Australia. I. James Cook University. School of Business.  
II. Title.

338.479194

---

James Cook University accepts no liability or responsibility for any loss or damage suffered as a result of direct or indirect use or application of any material or information contained in this publication.

# Table of Contents

<b>1) Background</b>	<b>1</b>
Talking About Trends.....	1
The 'STEEP' Framework .....	2
The Macro-Environment of Attractions.....	2
The Micro-Environment of Attractions .....	2
<b>2) Socio-Cultural Trends</b>	<b>3</b>
Fertility and Family Composition.....	3
Ageing population .....	4
Leisure Time .....	5
Cultural Diversity.....	6
Role of Women.....	7
Mind, Body and Soul .....	7
<b>3) Technological Trends</b>	<b>9</b>
Introduction .....	9
Tourist Responses to Technology.....	9
Business Efficiency and Product Development.....	10
Geographic and Cultural Accessibility.....	12
Healthier Tourists.....	13
Marketing Applications .....	15
Substitute or compliment to travel? .....	15
<b>4) Economic Trends</b>	<b>17</b>
Globalisation .....	17
Economic Blocs and Political Alliances .....	18
Investment.....	18
Visitor Yield .....	19
Fiscal Policy .....	20
<b>5) Environmental Trends</b>	<b>21</b>
Protection of Natural Tourism Resources .....	21
<b>6) Political Trends</b>	<b>23</b>
Regulation and Accreditation .....	23
Geopolitical Developments: Power, conflict and stability. ....	23
<b>7) Attraction Sector Trends</b>	<b>27</b>
Management and Marketing.....	27
<b>8) Market Trends</b>	<b>33</b>
Visitor numbers.....	33
Visitor Preferences .....	34
<b>9) Conclusion</b>	<b>37</b>
References.....	39



## Background

### A Framework for Discussing the Future of Tourist Attractions

#### Talking About Trends...

Attractions change over time due to physical deterioration and as a result of changing consumer needs (Gunn, 1988). Butler (1980) suggested that the life cycle concept can be applied to the evolution of tourism products. He proposed that tourism products experience several phases including exploration, involvement, development and consolidation. The consolidation stage is followed by decline, stagnation or rejuvenation, depending on the *environmental forces* that impact on the tourism product.

The evaluation and anticipation of environmental change is at the core of successful planning. An analysis of environmental forces improves the planning process by identifying trends that will reduce risk and uncertainty.

The following discussion attempts to identify and synthesise some of the key developments that have the potential to impact on tourist attractions. These developments are drawn from the work of various commentators, self-styled futurists and researchers, often outside the sphere of tourism. It is therefore appropriate to highlight that the following discussion should be interpreted carefully. There are several reasons for this caution:

- 1) Much of the work presented is by nature *speculative*. While some of the observations, such as changes in demography and society are well researched and documented within the consumer behaviour and sociology literature, others are quite clearly based on subjective opinion and dogmatic assertions. Greater emphasis will be placed on sources that have a research focus.
- 2) Some of the analysis draws on the futures literature, which by nature often *lacks empirical testing* and draws on a broad range of methods. However, a core aim is to present a broad spectrum of views concerning the future, so that these may be included and evaluated in this report. Therefore, much of the material is included with the intent to canvas a thorough, wide-ranging collection of relevant views.
- 3) Some of the views presented lack widespread *collaborative* agreement. Attempts have been made to corroborate views by drawing on consistency between authors when possible. Similarly, divergent views are presented in some instances to illustrate the diversity of current thinking about the future.

With these considerations in mind, it is also useful to briefly describe the meaning of a 'trend' in the context of this report. The discussion below draws on a series of views, some

of which explicitly identify trends, and some which are implicit in their account of the future. In the context of this report:

A trend is considered to be a change, direction or movement resulting in a pattern. Trends have been identified on a world scale, at a regional level, and within the tourism industry or the attraction sector. Similarly, trends may occur as global, holistic shifts, or an emerging phenomenon in a select group or community.

In general, the longer a trend has been moving in a certain direction, the more significant that trend is. In some instances the discussion below suggests potential emerging indicators for trends.

## The 'STEEP' Framework

Evans, Campbell and Stonehouse (2003) suggested that an organisation's environment is made up of a *macro-environment* and *micro-environment*. The macro-environment includes broad environmental forces that are generally beyond an organisation's influence but have the ability to impact on the microenvironment. The micro-environment consists of forces close to the company that affect its ability to serve its customers. This distinction provides a practical framework for discussing the forces which will shape attractions in the future.

### The Macro-Environment of Attractions

The macro-environment is comprised of forces that can influence the whole industry in which a business operates. The nature of these forces means that individual businesses are unable to influence them. Instead businesses must evaluate these forces and prepare for changes through the process of strategic planning (Evans et al., 2003). Traditional strategic management texts have consistently identified four forces in the macro environment. These follow the STEP (or PEST) acronym, which represents **S**ocial forces, **T**echnological forces, **E**conomic forces and **P**olitical forces. Evans et al. (2003) added a fifth force, **E**nvironmental forces, to create the acronym '**STEEP**'. The STEEP framework is used below as a basis for further discussion.

### The Micro-Environment of Attractions

The micro-environment is comprised of forces that a business encounters frequently and over which it may have some influence. There are a number of frameworks for assessing the micro-environment, including competitive and collaborative analysis, Porter's (1980) five forces framework and resource-based analysis. These frameworks, however, require specific information about individual businesses. Evans et al. (2003) suggested that a consideration of the micro-environment should include an assessment of *industry* trends as well as *market* trends. The following discussion seeks to discuss the broad micro-environmental forces that confront tourist attractions by examining industry trends and market developments.

## Socio-Cultural Trends

### Demographic and Cultural Changes that will Influence Attractions

*McRae (1995) argued that of all the forces that will change the world over the next generation, demography is probably the most important. An analysis of the plethora of social trends identified by commentators raises a number of implications for tourist attractions and, more broadly, the tourism industry. Whilst it is beyond the scope of this report to consider every social trend, and its likely impact on tourism, the key trends distilled from a number of sources are discussed below. These trends include changes in fertility and family composition, an ageing population, changes in leisure time, cultural diversity, the role of women, and spiritual aspects. The World Tourism Organisation (2000) highlighted that social trends will rarely work in isolation, and will in fact influence one another and change through time.*

#### Fertility and Family Composition

Changes in society have resulted in a decline in traditional families in the developed world. Knoke (1996, p.288) stated that “we now have sex without children, and children without sex...in all this, the institution of marriage is diminished.” Tarlow and Muehsam (1992, p.31) observed that “couples without children, households with few children, and singles will make up an ever greater proportion of the travelling public.” This trend appears to be caused by a number of social factors including: widespread use of female contraception, fewer marriages, higher divorce rates, changing laws and attitudes surrounding the role of women in society, increased female participation in the labour force and couples choosing to have fewer children (Australian Bureau of Statistics, 2002).

Fukuyama (1999) pointed out that the drop in fertility in countries such as Italy, Germany and Japan has been so dramatic that they will lose over 1 percent of their population every year. This trend is also evident in English speaking countries; particularly in the United States, where 25 percent of women aged 30 to 34 were childless in 1990, compared with only 16 percent in 1976. It has been predicted that 24 percent of Australian women currently in their reproductive years will never have children (Australian Bureau of Statistics, 2002). When couples do choose to have children, historical data suggests that women are delaying childbirth. The average age of women at childbirth increased from just above 24 years in 1978, to 28 years in 1998 (Australian Bureau of Statistics, 2002).

A consequence of these trends is the emergence of a greater variety of household segments for which the travel and tourism industry may need to cater (World Tourism Organisation, 2000). It is argued here that the implications for tourist attractions are threefold. Firstly, a lack of children, or an increase in the average age of women at childbirth means that young couples have more discretionary time and income. Singles and couples may view travel as an opportunity to meet and interact with people (Tarlow

and Muehsam, 1992). Secondly, smaller family size means that the family unit has greater flexibility in their activities and more money to spend on recreation and entertainment (Tourism New South Wales, 1999). Lastly, tourist attractions may need to reevaluate the type of services and packages that are offered. For example, Scott (2002) suggested that the standard two adult-two children 'family' ticket may no longer be attractive to the market place. This has the potential to alter the types of experiences that young singles, couples and families desire and may create demand for activities that are less family oriented, or leisure products that provide child-minding services.

A final consideration relating to family composition is linked to China, where a tendency toward single child families may have a drastic impact on tourism in the future. The World Tourism Organisation (2000) predicted that by 2020 China will be both the largest destination and generator of tourism worldwide. A rapidly declining Chinese population does not diminish the obvious opportunities for tourist attractions; rather it creates an economic climate which will allow more Chinese to travel abroad.

## **Ageing population**

One of the most pervasive trends identified by commentators has been the general ageing of populations in wealthy developed nations. It has been claimed that by 2050 almost 25 per cent of people in developed countries will be over 65 (Seekings, 1998).

This demographic shift has materialised as a result of a number of interrelated factors. Firstly, the population of the developed world is living longer. Advances in medicine and lifestyle research have delivered an improved quality of life for many older citizens. Secondly, fertility rates are declining almost without exception in every developed nation of the world, thereby changing the ratio of young to old. This trend is exacerbated by a tendency toward smaller families, as discussed earlier. Thirdly, the presence of the baby-boomer phenomenon in some western societies will increasingly influence population structures as this group moves from middle age to retirement. Lastly, China's population will age dramatically in the coming decades due to the success of its one child policy. This last factor, while more regionalised in nature, is of vital importance given the increased levels of disposable income available to the citizens of the world's most populous nation.

The effects of an ageing population on tourism have been extensively studied. A number of authors have noted that with above average wealth and relatively few demands in their time, the elderly will make up an ever-larger part of the tourist market (Jurowski and Olsen, 1995; Robinson, 1994; Martin and Mason, 1993; Queensland Government, 1998; Cetron, 2001; Tarlow and Muehsam, 1992; Tourism Victoria, 2002). Scott (2002) added that not only would there be more retired travellers but they could be more active and may enjoy better health. Martin and Mason (1993) also suggested that older travellers may be more physically and mentally active in terms of pursuing opportunities for learning, fun and entertainment. Research has suggested that retirees are more inclined to travel off-season, thus helping to eliminate the cyclical peaks and valleys typical of the industry. Tourist attractions clearly have an opportunity to prosper by providing services and facilities needed by older travellers.

Market research indicates that the styles of tourism that may appeal to an aging visitor market include heritage tourism, indigenous tourism, educational tourism, and ecotourism (Tarlow and Muehsam, 1992; Loverseed, 1998; Tourism New South Wales, 1999). An increased interest in sea cruising and car travel has also been identified (Smith & Jenner, 1997). Cetron (2001) predicted that facilities that combine extra comforts for the elderly



with an adventure-vacation theme would become especially popular. Research has also suggested that this large market segment may well show a preference for attractions based on authentic culture and scenic environment (Jurowski and Olsen, 1995).

An ageing population, while providing opportunities for tourist attractions, also introduces a number of potential threats. McRae (1995) argued that an ageing population results in fewer people of working age able to support both the young and the old. While this conceivably creates greater employment opportunities for the young there is a concern that a less competitive employment market may result in decreased levels of quality and service. In addition, a labour shortage may be a distinct possibility in many industries by 2020. The rules of supply and demand suggest that this could be exacerbated by increased labour costs, as businesses increase remuneration to secure talented employees. Tourism may be insulated from the full impact of such shortages due to its appeal as a relatively transient and dynamic employment generator; however, there may be a need for some tourism businesses to turn to technology as a more affordable substitute.

Scott (2002) suggested that retired individuals staying in the work force longer in part-time or consulting capacities may lessen a labour shortage. Similarly, McRae (1995, p.103) provided a number of suggestions for managing labour shortages, such as:

- Increasing the official retirement age
- Increasing female participation rates in the workforce
- Encouraging part-time working (including home working)
- Supporting University students to work part-time while studying
- Expending greater effort to ensure that the unemployed find work
- Retraining individuals several times in a career
- Using voluntary labour to a greater extent

McRae (1995) also noted that every member of the European Union was either increasing retirement age or was considering doing so and he added that by 2020 the normal retirement age may well have risen to 67 or even 70 in most industrial countries. Such changes would suggest that older individuals may not have as much disposable time as some authors have envisaged.

## **Leisure Time**

Changes in the availability and use of leisure time are indelibly linked with the fortunes of the tourism industry. It is clear that there is considerable disagreement regarding changes in leisure time. The relationship between tourism and leisure time is not as simple as it might at first appear. Authors such as Coates, Mahaffie and Hines (1997) have commented on the perceived increase of leisure time in developed nations, while Tourism New South Wales (1999) noted that leisure time had not increased greatly. Some authors noted that, at least in Australia, there had in fact been an increase in the number of work hours throughout the workforce (Tourism Victoria, 2002). It is possible that these discrepancies are due to a misconception that while paid leave has increased, many

workers do not actually use all of their leave entitlements. In a detailed discussion of leisure time, the Northern Territory Tourist Commission (2002) estimated that 40% of working Australians did not take an annual holiday. Increasing work hours has resulted in many individuals becoming cash-rich and time-poor while lower job security has created a reluctance to take holidays.

There is a general consensus that the flexibility of work hours has increased, providing individuals with more opportunities for short vacation experiences. The introduction of job-sharing and new technologies that facilitate telecommuting has created a tendency towards extending the weekend by taking short breaks (Northern Territory Tourist Commission, 2002). Researchers observed that multiple, shorter vacations spread throughout the year were becoming more popular than traditional long holidays (Cetron, 2001; Commonwealth of Australia, 2002). This trend has produced a growth in spontaneous travel over shorter periods with shorter lead times (Tourism Victoria, 2002). Attractions located within a four to five hour drive from urban centres are likely to benefit from this trend.

It would appear, however, that shorter trips face greater competition from other short-term recreation and entertainment substitutes. A variety of lifestyle changes have made activities such as household renovations or home and city-based entertainment more fashionable. Home-based leisure activities such as interactive television, online services, virtual reality games and home theatres have become increasingly common in Australian households while more traditional pursuits such as gardening has continued to be popular (Tourism Victoria, 2002). This has created what the Northern Territory Tourist Commission (2002) described as the 'cocooning' of leisure activities that compete with attractions for leisure time and dollars.

It has also been suggested that tourists may be less tolerant of bureaucratic delays and bungles that diminish their limited vacation time (Tarlow and Muehsam, 1992). Cetron (2001) proposed that as time became more precious customers would seek out brand names associated with high quality. It is interesting to note that very few attraction operators have capitalised on the concept of branding. The branding of IMAX theatres is an example within the attraction sector but it could be argued that these facilities are better categorised as general entertainment or leisure businesses. The desire to be associated with accreditation schemes such as the Nature and Ecotourism Accreditation Scheme (NEAP) in Australia or award programs such as the Australian Tourism Awards may be an emerging indicator of this trend.

## Cultural Diversity

It has been suggested that a well-established tradition of accepting immigrants and assimilating them into a broader mainstream culture in English-speaking nations such as the United States, Canada and Australia, has caused populations in these countries to continue increasing (Fukuyama, 1999). As a result, some authors observed a trend toward increased cultural diversity, particularly in Australia and the United States:

For the next twenty-five years the US will be the only developed country in the western world which will continue to allow large-scale immigration – with the possible exception of Australia... The US will not yet have become a country where white people are nearly a minority, but it will have travelled far along the road towards becoming the truly multi-cultural society that it will be by the second half of the next century (McRae, 1995, p.209).

Knocke (1996) discussed a similar trend and added that a third of Australia's residents were born elsewhere, with new residents arriving at such a rapid rate that the country has the highest population growth in the industrialised world. McRae (1995) also commented that by 2020 it will be evident that Australia is gradually becoming an ethnic Asian society. However, the proportion of Asia-born arrivals has fluctuated markedly, peaking in 1991-92 at 51% of all migrants. In 1999-2000 a total of 31,100 settlers born in Asia (34% of all migrant arrivals) arrived in Australia (Australian Bureau of Statistics, 2003).

These developments have at least three potential implications for tourism. Firstly, the influx of new Australians from diverse cultures may gradually change the domestic visitor market, both in terms of visitor preferences and expectations. Secondly, anecdotal evidence would suggest that a multi-cultural society encourages international VFR travel. It would therefore be reasonable to suggest that the characteristics of VFR travellers to Australia may change. For example, the percentage of VFR travellers from Europe may decrease while VFR travellers from Asia could increase, based on ethnic changes within the Australian population. A third implication for tourism businesses is the need to be supportive of cultural practices. For example, in an effort to deliver high levels of customer service, should tourist attractions remove pork from food menus, or should prayer rooms be provided in theme parks to meet the needs of Muslim travellers?

## **Role of Women**

A more subtle social trend is the increased role of women in the workforce and in public life. Women are increasingly running businesses or are otherwise in paid employment and they are becoming more independent and autonomous. This is inarguably the result of the feminist movement that started in the 1960s. The Northern Territory Tourist Commission (2002) observed that feminism had created new market segments with greater disposable income. Evidence of these markets can be seen in increasing numbers of females choosing to travel independently, or in groups (Weaver and Lawton, 2003). For example, the Australian Tourist Commission has identified a unique market of young female travellers from Japan who typically travel in groups and have a high level of discretionary income. However, it also be argued that higher female workforce participation results in competing family time constraints. This may create challenges for families and couples when coordinating their leisure time. It is suggested that this outcome could be viewed as a contributing factor behind the trend of multiple short breaks in preference to a single, longer, traditional holiday.

## **Mind, Body and Soul**

In addition to demographic changes, various authors have tracked trends related to the attitudes of customers. From this perspective, Matathia and Salzman (1999) reported a growing disenchantment with lifestyles that focus purely on work and material possessions. A concern for health and well-being has led to a demand for more balanced lifestyles incorporating spiritual elements, greater emphasis on personal fulfilment and more time to appreciate family and leisure activities (Northern Territory Tourist Commission, 2002). These attitude changes have been broadly grouped under 'mind, body and soul' and deal with responses to religion and spirituality, alternative therapies, mental well-being and physical fitness.

Matathia and Salzman (1999) noted that devotion to organised religion had been on the decline across much of the industrialised world. However, in recent times, they detected a

reversal of this trend, as more consumers returned to religion seeking solace and reassurance in an uncertain world environment. Furthermore, it has been suggested that an increased sense of isolation and disconnectedness from the natural world has caused western consumers to turn to the spirituality of Eastern and New Age religions. The increased popularity of passive relaxation techniques such as yoga, tai chi and meditation may be an emerging indicator of this trend. On a spiritual level, perhaps the most visible example of this trend in Australia is the increased popularity of 'pilgrimages' to Gallipoli. With the exception of religious and military shrines, Australia has very few attractions that cater for these spiritual interests.

The growth of health resorts, wellness centres and day spas in Europe have been well documented by several tourism researchers but the role of such facilities in Australian tourism remains peripheral (Tarlow and Muehsam, 1992). As the Australian population ages, and Baby Boomers seek new ways to stay young, perhaps there are opportunities for attractions to reorientate product offerings. In fact, Tarlow and Muesam (1992; p.32) claimed that "attractions, hotels, and restaurants will adjust their physical amenities to accommodate these health demands." This may be as simple as considering healthier food and beverages served through attraction kiosks or as complex as designing an integrated 'healthy living' attraction. Interestingly, Scott (2002) pointed out that in the USA, the term 'spa' had come to mean something quite different to the traditional term used in Europe. Spas had become more broadly associated with 'health and fitness' which incorporated relaxation and beauty treatments.

Kottler (1998) commented on the therapeutic benefits of the travel experience itself. He suggested that 'transformation travel' may be a more effective option than therapy for people who need to make changes in their lives. "Transformation travellers may wish to fulfil something missing in their lives. They feel more creative in strange places. They can indulge in a secret life of forbidden behaviour when they are away from home" (Kottler, 1998; p.26). Attractions that allow visitors to completely immerse themselves in an alternate reality, whether through technology or personal interaction, clearly provide greater scope for such therapeutic experiences. Tourism Victoria (2002) suggested that the quest for a holistic type of recreation which balances the mind, body and soul would fuel the market for indulgence products, outdoor activities, family holidays and short breaks.

## Technological Trends

### New and Emerging Technologies and their impact on Attractions

*The pervasive nature of technology impacts on the business environment of tourist attractions both directly and indirectly. The direct applications of technological advances benefit the attraction sector in terms of business efficiency, product development and marketing. Stevens (2003), in citing research by consultancy firm Deloitte and Touche, noted the growth of a more sophisticated, technology-led attractions sector. Indirectly, advances in scientific fields as varied as medicine, genetics, transport, robotics and entertainment create various opportunities and threats for the attraction sector.*

#### Introduction

Scott, Jones, Bramley, and Bolton (1996) argued that the survival of organisations in the future would depend on the maintenance of a competitive level of technology to facilitate innovation, design, management and marketing. Technology can be of benefit in implementing business strategies; replacing aging or obsolete technology components; increasing and managing visitor capacity; and introducing cost-effective improvements for existing attractions (Ashmore, 1988).

Technological changes and directions of research provide some clues to the future world in which tourist attractions will need to operate. Life in the year 2020 can be envisaged with reasonable accuracy because many of the prototypes of the inventions and technologies already exist in the laboratory (Kaku, 1998). However, McRae (1995) pointed out that the advance of technology is subject to complex interaction between the directions in which research is pushed, the price of a particular technology, and social acceptance.

The following discussion commences with a cursory exploration of social responses to technology in tourist attractions before considering the direct and indirect impacts of technology on the attractions of the future.

#### Tourist Responses to Technology

Naisbitt (1999) observed that society is moving in the dual directions of high tech and high touch, matching each new technology with a compensatory human response. Naisbitt's concept of high-tech / high-touch was concerned with "embracing technology that preserves our humanness and rejecting technology that intrudes upon it...It is recognising that at its best, technology supports and improves human life; at its worst, it alienates, isolates, distorts, and destroys" (1999, p.26). It was further suggested that as technology

became more pervasive in everyday life, more people would seek the comfort of human relationships and interaction.

Travel was viewed by Naisbitt as a core human reaction in response to the “stress engine of consumer technology”. Coates et al. (1997) also discussed the apparent desire to escape technology and cited examples that suggest a return to traditional, often labour-intensive, activities. Sheldon (1997) suggested two polar responses to technology, using the high-tech / high-touch analogy. She proposed that some travellers, grouped under *high-tech*, would have an expectation of higher levels of automation. High-tech travellers would appreciate the application of technologies that deliver more efficient travel experiences. This market segment would seek out entertainment and attractions that use technology in the creation of the experience. Conversely, Sheldon described the *high-touch* market segment as “luddites” who viewed technology as being destructive to the tourism experience. It was proposed that these travellers would seek out vacations that allowed them to escape from the modern technological world by providing more personalised, human interactions. Sheldon recommended that businesses serving high-touch customers should not ignore technology, but should use it in the background to support high levels of personalised service. However, there is some scope for further research to confirm Sheldon’s hi-tech / high-touch hypothesis.

## **Business Efficiency and Product Development**

Dramatic developments in the technology field have impacted on the travel industry by enhancing competitiveness (Affolter, 2001). Technology has been applied in attractions to deliver new business efficiencies in menial tasks such as budgeting, forecasting, analysis of customer feedback and market research, business planning, and the provision of security and visitor management.

The growing capability of electronic systems is expected to increase the quantity of general information as well as specific information that businesses will have about their own performance. This will allow businesses such as attractions to fine-tune products and services (McRae, 1995).

Martin and Mason (1993) proposed that the use of computerised booking systems, smart cards, and electronic security could control visitor flows and allow employees to interact with visitors on a personal level rather than carrying out routine tasks such as admission. Smart card technology could facilitate the admission and tracking of visitor movements in tourist attractions. Coates et al. (1997) predicted that the use of smart cards could be universal within the next 20 years. Smart cards have the potential to contain information such as nationality, medical history (perhaps a personal DNA profile), education and employment records, financial accounts, social security, credit status, and religious and organisational affiliations. In effect, these smart cards replace the contents of a conventional wallet with information stored in digital format. This may include a system of crediting and debiting smart cards that would essentially operate as form of currency. It has also been suggested that smart cards may be able to provide detailed customer information for use in more efficient target marketing (Cetron, 1998). In the tourism industry, smart cards have been adopted rapidly by the transport sector and they have become an important recent addition to public transport systems in Europe, Australia and Asia, with the Bangkok Sky Train system and the London transport system being notable examples. In Australia, smart cards have been used to operationalise integrated public transport ticketing solutions in cities such as Sydney and Brisbane. New drivers licences issued by the Queensland Government will also use this technology. As public acceptance

of this technology grows, tourist attraction operators could conceivably use smart cards to manage visitor flows, to control access to various attraction components and to track visitor movements.

Technology has in the past been applied to the development of new attraction products or as a means of enhancing the presentation of tourism resources. A number of technological developments have applications in the attractions sector. For example, Leask (2003) commented on the use of technology to provide hands-on interactive exhibits and virtual reality shows. Technology offers powerful opportunities for the creation of new interpretative techniques and attractions by providing interactive multi-media experiences, audio, animatronics, simulated attractions and virtual reality (Martin and Mason, 1993).

A number of commentators have speculated about the potential impact of virtual reality technologies on tourism businesses. Artificial environments such as historic landscapes, journeys to space, or underwater journeys could be simulated using technologies such as virtual reality. Greenfield (1999) optimistically predicted that the inclination for younger market segments to interact with artificial environments would drive the demand for virtual reality experiences. Knoke (1996) commented on the crudeness of these technologies, but speculated that increases in computer power could allow for the creation of more realistic, interactive environments which would provide a number of sensory stimulations. The refinement of virtual reality (VR) technology has the potential to drastically alter the nature of tourist attractions by simulating environments from our past, present and future. Virtual reality has been touted as “a logical progression in the use of technology in tourism” (Cheong, 1995:417). However, the impact of virtual reality has not been widely researched and it unclear whether this technology is likely to be widely adopted. It is also difficult to predict whether virtual reality will complement, or become a substitute for, certain tourist experiences.

Advances in the field of robotics may provide services such as cleaning, greeting guests, baby-sitting and security tasks. While some visitors may resent less personal interaction, robots could allow tourism organisations to provide more consistent service. A clear advantage is that robotic technology would provide a reliable source of labour during busy seasons while retreating conveniently into storage during the off-season (Tarlow and Muehsam, 1992). It is worth pausing at this point to stress once again that these predictions are highly speculative in nature and while these technologies sound promising it is unclear whether they would gain social acceptance. A less speculative application of robotic technology in attractions includes the use of animatronics, or robotic figures, that can be used to animate static displays or enliven interpretive signboards. Recent advances in this area have resulted in more lifelike and affordable robotic characters in some attractions (Tourism New South Wales, 1999).

A further development involves the integration of technology into items and environments that surround us. Inanimate objects can be manufactured to be more responsive to physical variables such as light, heat, noise, odours, and electromagnetic fields. This could be achieved by embedding microprocessors, sensors and special materials in physical devices or surroundings. Coates et al (1997) have predicted that everything will be ‘smart’, or responsive to the external or internal environment. An extension of this concept is the creation of totally artificial tourist environments intended to simulate nature. The artificial tropical island attractions already popular in Japan exemplify this trend.

Coates et al. (1997) raised the possibility of creating tourist attractions by using genetic tools to enhance biodiversity. Essentially this proposition would involve the use of genetics to ensure plant and animal species are more resilient by reducing susceptibility to disease

and introduced threats. An extension of this concept would be the technical possibility of 'resurrecting' recently extinct species to enhance the biodiversity of a tourist destination or attraction. However, the research costs and environmental implications of resurrecting extinct species are unclear. A limitation of this approach is that DNA material must be sufficiently well preserved and that a suitable surrogate host needs to be available. Given current technology and knowledge constraints, a 'Jurassic Park' style of tourist attraction is not conceivable within the next 20 years.

Pragmatic considerations are often overlooked when espousing the benefits of new technologies. Leask (2003) cautions that while new tourist attraction technologies may cater for specific markets, they are often costly both to install and to maintain. They may also serve to exclude markets that are not impressed with or predisposed to technology.

## **Geographic and Cultural Accessibility**

Transport and communication technologies have supported the advent of mass tourism and provided access to remote parts of the planet. Adventure travel has, in part, been largely supported by satellite technology that has provided location tracking and communications capabilities. It has been predicted, rather optimistically, that space tourism may thrust the adventure travel market into trillions of dollars as technological innovation advances from "suborbital flights, to orbital flights, to moon walks, to space plane taxis, to Mars colonisation" (Naisbitt, 1999). Naisbitt cited the example of Richard Branson, who in 1999 announced the establishment Virgin Galactic Airways, which plans to offer two-hour space flights costing US\$50 000 starting in the year 2010.

In the past few years a growing volume of research has been undertaken in the design of reusable space vehicles (RSVs), space hotels, and related activities. It is increasingly evident that the establishment of commercial space tourist attractions may be a realistic target within the twenty-first century (Ashford, 1997; Collins, 1999). While the appeal of space as a tourist attraction has yet to be tested, technologies have been employed by attractions to provide adventure travellers with safe, affordable experiences (Tourism Victoria, 2002). Bungy jumping and high-tech theme park thrill rides are amongst the best examples of 'adrenalin' based attraction technologies.

Transport technology has continued to deliver safer, faster and more convenient access to tourist destinations and attractions. Authorities throughout Europe and Asia are supporting the development of super trains. The realisation that trains are the fastest and most reliable form of transport over certain routes is transforming transportation in highly developed, densely populated countries (Tarlow and Muehsam, 1992). Super trains provide direct linkages between city centres and have the advantage of being able to depart exactly when scheduled, unlike airlines, which typically contend with airport commutes, delays, and congestion. Super trains also pollute less and consume less fuel relative to all other forms of modern mass transport (Knoke, 1996).

In Australia, the federal government's reluctance to fund fast rail networks appears to be related to the vast distances involved. Super trains are most competitive on mid-range journeys and the dispersal of major centres in Australia would dampen many of the benefits currently offered by super trains in Europe and Asia. From this perspective, it is unlikely that Australian tourist attractions would benefit from advanced rail technology in the near future. However, Knoke (1996) reported that research towards the creation of room-temperature super conductors would drastically reduce the costs of constructing advanced "maglev" rail networks.



Maglev is an acronym for magnetic levitation, and involves the use of rail carriages that are suspended above the track on a cushion of air maintained by electromagnets. Experimental maglev trains have reached speeds of over 560 kilometres per hour, using less energy than conventional railroads (Cetron and Davies, 1997). Conventional electromagnetic tracks are expensive to construct because electromagnets must be embedded within the carriages as well as the tracks. Room-temperature semiconductors would create a much more affordable source of magnetic power. Despite technological shortcomings, a commercial Maglev rail line now operates between the airport and the city of Shanghai. Remote or geographically dispersed tourist attractions may benefit from such technologies.

Tarlow and Muesam (1992) argued that advances in videoconferencing and communications technologies would create less need for physical travel. It is conceivable that those who do travel may demand greater levels of fast, efficient, and courteous service from transportation companies. Trains and aircraft may provide on-board technologies including personal computers and communications systems that will allow customers to book reservations at hotels, restaurants, and entertainment centres (Tarlow and Muehsam, 1992). These technologies, perhaps, provide greater opportunities for tourist attractions to garner customers who have not finalised their travel itineraries prior to departure.

Aviation and Aerospace engineers are also delivering promising new technologies that would reduce travel times as well as the vast tracts of land set aside for air terminals. Pohl (1999) discussed the prospect of vertical take-off aircraft that would essentially make the kilometres of runways around the globe obsolete. Such aircraft would take off and land nearly straight up, and the maximum runway length is anticipated to be less than a city block. This would allow for air terminals to be built closer to city centres.

The discussion of the ability for technology to enhance accessibility has thus far focussed on a geographic perspective; however language can often be a barrier to travel. In Japan, NEC researchers are developing devices that will simultaneously translate spoken languages. The implications for the tourism industry are clear: tourists equipped with pocket translators would be able to communicate with locals in foreign countries while business travellers could negotiate complex business deals in their own native language (Knoke, 1996).

While these predictions of technological advances appear enticing, it is worth reiterating the view that some of these technologies are speculative. Software engineers continue to struggle with voice recognition systems that have the ability to help computers understand idiosyncratic variations in human speech. Similarly, the text-to-text translation services currently available through software and Internet applications are unable to accurately translate anything but the most simple sentences and grammatical structures. These issues need to be resolved before the prospect of technologies such as universal speech translators become a reality.

## **Healthier Tourists**

Anecdotally, key discoveries in medicine in the last 10 years bode well for the travel industry simply because healthier individuals are more likely to travel. The ability of medicine to deliver relatively good health to individuals well into their 80s has created new tourism markets and areas of growth (Tarlow and Muehsam, 1992). In the sphere of medicine, Cetron and Davies (1997) identified four advances that will transform society by

2010. These included gene therapy, hormone replacement therapy, a cure for cancer and rejection-free organ transplants.

The completion of the human genome project in 2001 sparked controversy and debate over the ethical implications of using this newfound genetic information to clone humans. This debate has overshadowed research into gene therapy, which is essentially concerned with manipulating the genes of patients to correct detrimental medical conditions. Anderson (1999) predicted that by 2030 gene therapy will be widely practised in medicine. He identified two branches of genetic treatment: "gene therapy, whereby one or more genes are injected into the patient to treat disease, and drug therapy, in which a drug is given to the patient to modify the expression of one or more genes in the body" (p.19). Both of these branches have the potential to increase human life expectancy and general health by controlling the incidence of hereditary diseases.

Hormone replacement therapy (HRT) involves the use of hormones to slow the symptoms of ageing. Cetron and Davies (1997) suggested that HRT would maintain health and vigour into old age and could make individuals less susceptible to heart disease, cancer and other causes of ageing. A cure for various forms of cancer is also expected by 2010 as scientists around the world move closer to understanding this disease and reaping the benefits of decades of medical research (Cetron and Davies, 1997). In reality cancer is a disease that continues to confound researchers and it seems more likely that only some forms of cancer will be curable by 2010, with ongoing research needed well beyond this timeframe.

A recent series of experiments show that it may one day be possible to "grow" new organs in our body to replace weary or diseased organs (Kaku, 1998). The technology associated with these advances are, somewhat controversially, imbedded in cloning research, as new organs would likely be grown from stem cells harvested from the patient. An organ grown from the patient's own DNA is unlikely to be rejected by the body and will offer new hope to patients suffering from heart, kidney, liver or lung ailments.

In addition to the four innovations identified by Cetron and Davies (1997), Kaku (1998) commented on nanotechnology as another innovation with the potential to create healthier individuals. Nanotechnology involves the development of small machines constructed out of individual molecules. Kaku (1998) identified a number of ways in which nanotechnology could be used inside the body to combat illness, including destroying infectious microbes, killing tumour cells one by one, removing plaque from arteries and repairing damaged cells in order to slow the process of ageing.

A further advance directly related to tourism was identified by Coates et al. (1997), who described the use of chronobiology to neutralise jet lag. A pill or skin patch could be used to adjust the circadian rhythms of travellers by influencing their reaction to light. Such advances would mean that travellers arrive at their destination refreshed and ready to experience the attractions on offer. Broader advances in medicine may create healthier tourists who will live longer, creating a range of opportunities for tourist attractions.

However, the prospect of a disease-free utopia of eternal youth still seems unlikely. New viruses seem to appear each year and despite scientific advances Cetron and Davies (1997) have suggested that we will still be battling unpredictable killers in 2010. The recent impact of Severe Acute Respiratory Syndrome (SARS) on the tourism industry in Asia supports this observation.

## Marketing Applications

Advances in marketing technology have allowed organisations to more accurately target key markets. For consumers, technology has delivered new methods of 'previewing' and purchasing holidays. Several Australian tourism agencies have observed that the role of the Internet in customer decision making is having an effect on the production, marketing and distribution practices of the tourism industry (Tourism Victoria, 2002; Australian Tourism Commission, 2002).

In order to remain competitive, tourist attractions may need to adapt as CD-ROM videos and Internet movies replace printed brochures in promoting vacation destinations (Cetron, 2001; Scott, 2002). An extension of this concept is the use of real-time Internet video that allows visitors to 'test-drive' a prospective holiday by viewing footage through cameras placed in hotels, restaurants and attractions at the destination (Scott, 2002).

A number of commentators have discussed the use of intelligent Internet agents to help customers find and book vacations (Cetron and Davies, 1997; Kaku, 1998; Scott, 2002). Intelligent agents use a combination of pre-entered information and observed behaviours in online booking patterns to present the user with possible options, thus saving time in 'surfing' the Internet. From 2020 to 2050, true artificial intelligent (AI) programs may use reason, common sense, and speech recognition so that the Internet may resemble talking to the 'Magic Mirror' in children's fairy tales (Kaku, 1998).

Broader marketing developments include the integration of computer chips into everyday items to measure and respond to consumer purchases. Matathia and Salzman (1999) have stressed that "we will soon have an all-too-clear understanding of the adage 'everything communicates'". Emerging examples of this phenomenon have included advertisements delivered via automatic teller machines and product discounts issued to prospective customers based on smart-card purchasing patterns.

In the longer term Kaku (1998) has discussed the prospect of using laser technology to deliver 3D television. Such a technological development could eventually alter the way we view entertainment. While they may offer new opportunities for tourist attractions to market experiences impossible to convey in brochures, such entertainment options may in fact compete with attractions.

## Substitute or compliment to travel?

There has been some anxiety within the travel industry that the advent of technologies such as videoconferencing and virtual reality may reduce the need to travel. Concerns have been expressed regarding the substitutability of tourism experiences for virtual reality and other hi-tech entertainment opportunities. It is increasingly being recognised that attractions are no longer simply a part of the tourism industry *per se*, but compete with a suite of other entertainment options, both in the home and further a field.

Tourism New South Wales (1999) expressed some concern that home entertainment options like high definition home theatre systems and realistic computer games will compete with tourist attractions. Matathia and Salzman (1999) suggested, for example, that new Internet technologies would allow individuals to leave behind their business routines, sometimes only for a 10-minute, mind-cleansing virtual vacation. This would

imply that tourist attractions need to provide an environment that cannot be replicated at home, or through other entertainment options (Tourism New South Wales, 1999).

Countering these concerns were commentators such as Kaku (1998) who has maintained that the strong service element of tourism provides personal interactions between people that will never be replaced by technology. Despite advances such as virtual reality, it is argued that new technologies will more likely become marketing tools, rather than replacing real vacations. In addition, it has been suggested that the ability of technology to expand the number of contacts that people make may actually stimulate increased travel (Coates et al., 1997). Interacting with attractions through websites and video may motivate people to physically visit them. This, it has been claimed, could improve trip satisfaction because people would be able to 'try before they buy'. It has also been argued that business travellers would increasingly need the 'high-touch' reassurance of personal relationships with their colleagues to negotiate complex agreements (Cetron, 2001). The key for attractions may be to closely balance the technology experiences offered by competing entertainment options with a mix of personalised–high-touch interactions that attract visitors.

## Economic Trends

### National and Global Economic Shifts

#### Globalisation

There are perhaps as many opinions about the future of the world economy as there are commentators, however, a few consistent viewpoints are worth exploring here. A dominant economic theme involves the continued spread of globalisation. Fukuyama (1999, p.113) suggested that global struggles have “shifted from the old Cold War divisions to a struggle over globalisation...all we have now is the global economy that defines our way of life and is reshaping politics and economics around the world”. The world economy has grown so interdependent that it is no longer possible to erect barriers between countries without causing economic decline (Knoke, 1996; Kaku, 1998). Toffler (1991) added: “We are moving towards a world system composed of units densely interrelated like the neurons in a brain rather than organised like the departments of a bureaucracy.” While globalisation is inextricably linked with global politics, the outcomes are inarguably economic. Scott (2002) has attributed the spread of globalisation to four developments:

- the end of the Cold War and China ’s quasi-liberalisation.
- bilateral and multilateral free trade agreements,
- radical improvements in information and telecommunication technology.
- liberalisation of financial markets.

A challenge for governments, destinations and businesses is the need to be globally competitive while maintaining a local flavour. The World Tourism Organisation (2000) discussed the tensions between globalisation and localisation. The organisation observed growing conflict in developing countries between identity and modernity, often perpetuated by increasingly homogenous tourism products. In this analysis, tourism itself became one of the culprits - a means of development to which local communities attributed the breakdown of traditional cultural values in favour of ‘imperialist’ western values. The Institute for Alternative Futures (2001) coined the term “glocalisation” to describe the need for businesses to operate globally, while customizing products and services to local markets. Tourist attractions may need to confront this issue, as they struggle to remain competitive in the global environment, while delivering authentic, personal visitor experiences.

Müller (2001) contended that the standardisation created by globalisation would be countered with attractions that are “natural, organic, unmistakable and authentic”. While tourist ‘production’ is linked to local conditions, tourist attractions cannot avoid being influenced by globalisation. Müller (2001) observed that attractions, and even whole destinations, were becoming interchangeable. As attractions and destinations become increasingly competitive in a global environment the need for conglomeration and branding may become a more important strategy for attracting visitors.

## **Economic Blocs and Political Alliances**

Economic and political commentators have suggested that the world will eventually consolidate into three trade blocs: Europe, North America, and Asia (McRae, 1995, Knoke, 1996; Coates et al, 1997). As commodities and products move between them these economic blocks will become a prominent part of the international economy.

Within the Asian bloc it is predicted that, given stable governments, Indonesia, Malaysia, Vietnam, Cambodia, Laos, Thailand and Burma will be the new tigers (McRae, 1995). Australian economists have also estimated that by 2059 Asia (excluding Japan) will account for 57% of the world economy. McRae (1995) claimed that Australia and New Zealand would benefit from such developments because these countries have a strong tradition of delivering political stability. The volatility of changes in the environment is, however, well illustrated by McRae’s assertions. In less than a decade since publication, Indonesia has faced a number of setbacks and regional conflicts. Similarly, Burma continues to be restrained by a military dictatorship and Laos is still one of the poorest nations in the world.

An optimistic long-term view would suggest that the growing role of the World Trade Organisation provides evidence that most countries may eventually move toward a single global trade bloc. There is no reason to suspect that tourism will be immune as a bargaining chip in multi-lateral free trade negotiations. For example, foreign ownership restrictions on tourism organisations such as airlines could be used as a pawn in trade discussions. Any decision to relax foreign ownership restrictions on airlines could potentially alter the mix and volume of international visitors to Australian attractions. Similarly departure taxes and levies on international visitors could conceivably be used as bargaining chips in multi-lateral trade talks. This has the potential to alter international visitor flows, however, it could be argued that the impacts on Australian attractions would be relatively minor. Furthermore, a pessimistic assessment of global trade might suggest that it is equally possible that the nations of world will never reach the consensus needed to establish a single trade bloc.

## **Investment**

Australian tourism organisations and government agencies have expressed a concern that the tourism industry is not attractive to investors:

The tourism industry has a fairly fragile image to many financiers. There are claims of a shortage of venture capital in Australia and the tourism industry, with its predominance of diverse small businesses, faces particular challenges in coordinating a whole of industry approach to generating and attracting investment (Tourism Queensland, 2001, p.11).

The Commonwealth of Australia (2002) described a number of factors that influence the level of investment in tourism. These included the overall health of the economy, the investment performance of the tourism industry (including the profitability of tourism related enterprises), government regulations, and the availability of tourism information and data needed to make investment decisions.

In addition to demographic factors, the strength of the Australian economy has a major effect on domestic tourism. Forecasts have indicated that even in a difficult global climate, the Australian economy was expected to perform strongly during the next decade, with disposable household income forecast to grow in real terms by 3.3 per cent annually. This was expected to stimulate an increase of over 65 million domestic visitor nights by 2012 (Commonwealth of Australia, 2002).

In terms of investment performance, the Commonwealth of Australia (2002) reported that tourism and leisure stocks performed slightly worse than average between 1995 and 2001. Profitability in tourism was higher than manufacturing, but lower than other non-service industries. The volatility of tourism and leisure stocks has been identified as a characteristic that may restrain investment. However, this analysis is based largely on the Australian Bureau of Statistics classification of 'cultural and recreational services'. There is no clear statistical category the 'tourism' industry and the cultural and recreational services category is not wholly appropriate as it includes broader leisure companies such as casinos, cinemas and gaming.

Despite this incongruity, the conclusion from government agencies is that the tourism industry, in particular, tourism operators, must do more to make themselves attractive to investors. The issues of profitability and stability in tourism businesses therefore become increasingly relevant, with various commentators suggesting that a greater focus on visitor yield provides a solution (Tourism Queensland, 2002; Australian Tourist Commission, 2002; Commonwealth of Australia, 2002).

## Visitor Yield

From a microeconomic perspective, there has recently been a strong recognition from some quarters of the Australian tourism industry that growth in visitor numbers is an inadequate measure of tourism performance (Tourism Queensland, 2001; Commonwealth of Australia, 2002). These agencies have shifted their focus towards promoting business strategies that optimise the yield potential of different market segments.

The Commonwealth of Australia (2002) observed that most attraction operators were concentrating on attracting a maximum number of visitors at a more or less standard price. However, it would be unrealistic for many small regional attractions to disregard existing market segments in pursuit of more lucrative patrons. It would also be unfeasible for many attractions to create a number of admission charges for different markets. In order to optimise yield, many tourist attractions will need to explore additional methods for increasing revenue streams from existing patrons. For the attraction sector, this would suggest a focus on increasing the profit earned from each visitor. This could be accomplished in a number of ways:

- 1) Managers may increase entry prices; a decision that may result in decreased visitor numbers. However, a decrease in visitor numbers should not be equated to a

decrease in profit. Decreased visitor numbers in some attractions may lead to lower operating costs, thus increasing the yield per visitor.

- 2) Yield can be improved by creating a number of complementary sources of income from visitors. Examples include admissions, refreshments, souvenirs and merchandise, photos/videos of visitor experiences, and so forth.
- 3) Marketing activities can be used to target wealthier clientele
- 4) New technologies can be used to reduce operating costs. An example includes the use of energy and waste minimisation technologies in attractions.

## **Fiscal Policy**

Swarbrooke (2002) pointed out that the combination of taxation policies and increases or reductions in pensions and welfare benefits could act as a mechanism for the redistribution of wealth. The extent to which certain groups benefit would affect the visitor mix for tourist attractions. Greater disposable income for those on pensions may reinforce other trends that suggest an increase in older visitors. Furthermore, other economic factors, such as currency exchange rates, interest rates and general economic health will continue to influence visitor spending and visitation to attractions (Swarbrooke, 2002; Robinson, 1994).



## Environmental Trends

### Environmentally Sustainable Development

#### Protection of Natural Tourism Resources

The combined growth of the human population and increased energy consumption has created pressures on remaining natural environments. While this has triggered a number of responses from groups with varied interests and goals, most commentators agree that the awareness of environmental impacts has increased over the last 20 to 30 years. This has resulted in greater pressure on organisations to deliver products and services in an environmentally responsible manner. “There is a change from a society with a therapeutic perspective (we can do it now because everything can be fixed) to a society driven by a prophylactic sense of caution (we may not be able to fix it)” (Matathia and Salzman, 1999; p.31).

The conservation of natural areas is perhaps more significant for tourism than it is for many other industries, given that the environment is a core attraction for visitors. While it is beyond the scope of this report to elaborate on either the negative or positive impacts of tourism on the environment, it is appropriate to comment on general trends regarding the natural environment.

Müller (2001) argued that the environmental dilemma facing tourism was particularly difficult because tourism, through its high rate of transport consumption, generated a large proportion of greenhouse gases and because the distances travelled were increasing while holidays were becoming progressively shorter. While this is a challenge for the tourism industry, it is perhaps tenuous to suggest that most tourist attractions can be held accountable for these causes of environmental degradation. More importantly, the development of environmentally sustainable transport modes, such as hydrogen and electric vehicles, has the potential to alter where visitors travel. Hydrogen and electric vehicles do not have the same range as petrol-powered vehicles, creating a disadvantage for remote attractions. If new propulsion technologies are phased in, the location and availability of alternative fuel or ‘recharging’ stations could alter the short-term travel patterns of more environmentally conscious visitors.

The shift toward sustainable experiences has created a positive outcome for nature-based attractions. As concern for environmental issues continues to grow demands for even greater environmental controls are inevitable, especially in relatively pristine regions. Cetron (2001) predicted that ‘ecotourism’ would continue to be one of the fastest growing areas of the tourism industry. Ironically, it has been argued that the increasing dominance of high technology reinforces this trend, as rainforests, wilderness areas, the ocean, and

other unpolluted regions provide a unique opportunity to escape from a technocentric world.

A number of tourism authors have predicted continued growth for environmental and adventure attractions (Tarlow and Muehsam, 1992; Müller, 2001). However, Scott (2002) highlighted two diverging trends that are shaping the contemporary demand for visitor attractions. The first leads away from 'natural' attractions to 'contrived' facilities that are able to deliver a fusion of tourism and leisure. These attractions are the integrated leisure complexes envisaged by Middleton (2001) and Stevens (2003) and discussed later. The second trend is a demand for the more radical preservation of historic sites, ethnic culture and pristine nature. Diverse examples of popular attractions that have been the subject of increased preservation efforts include Australia's Great Barrier Reef, the wildlife resources of Africa and the Sistine Chapel in Italy.

As the level of demand for Australia's attractions increases, it becomes increasingly necessary for managers to consider methods to manage visitors more effectively, for their own enjoyment and also for the protection of the product itself. Europe provides a number of case studies of attractions that have been forced to manage visitors through the use of visitor cordons, booking procedures and time-controlled ticketing (Scott, 2002).

A number of authors have suggested that constraints may be imposed on new and existing attractions due to environmental concerns (Jurowski and Olsen, 1995; Martin and Mason, 1993; Lavery and Stevens, 1990). The growth of the 'green' movement has created not just a desire to visit nature-based attractions, but also an increased concern about the impacts of development, energy use and waste disposal. Swarbrooke (2002) pointed out that some attractions are inherently greener than others, but that every attraction is able to become greener. Demand for highly specialised ecotourism attractions is likely to increase. Many attraction operators have already realised the benefits of being associated with 'ecotourism'. In Australia the Nature and Ecotourism Accreditation Program (NEAP) has developed a set of standards to recognise attractions which practise sustainable tourism.

## Political Trends

### Government and Geopolitical Changes

*Politics, by nature, operates at every level of government and thus has the potential to impact on tourist attractions in a number of different ways. The following discussion attempts to distill some of the key political influences in the tourist attraction environment by first considering an Australian perspective before considering the implications of global geo-political trends.*

#### Regulation and Accreditation

McRae (1995) asserted that politicians throughout the developed world had come to the realisation that service quality could be controlled more effectively if governments were the regulators rather than the providers of services. Hence, the tourism industry in Australia has been influenced by the privatisation of airlines, airports and railways. However, a notable proportion of tourist attractions remain under government management or quasi-government control. Examples include large attractions such as museums, art galleries and gardens. New attractions continue to be funded from the government purse but given the privatisation of government assets worldwide; it is not unreasonable to argue that parts of the attraction sector may undergo the same process. The likelihood of this change would increase if North American or European governments establish a precedent.

As McRae indicated, there is a tendency for governments to regulate industries undergoing privatisation. This partly ensures that newly privatised enterprises continue to deliver the same basic services expected by the public under public ownership. Regulation of the attraction sector in Australia could arguably reduce the diversity of attractions in Australia, but may also eliminate unscrupulous operators. The accreditation of competent operators may be viewed as a form of regulation, effectively forcing *bona fide* tourist attractions to adhere to specified minimum standards. Tourism Queensland (2002) has suggested that the accreditation of tourism operators needs to be further explored.

#### Geopolitical Developments: Power, conflict and stability.

Much has been written about the geopolitical future of the world. Tourist attractions, being highly sensitive to the international movement of visitors, are vulnerable to developments in international politics. This is particularly true for attractions in Australian destinations such as Sydney, Brisbane, Melbourne and Cairns, which draw a large cohort of international visitors.

A discussion of geopolitical developments requires careful dissection, as it inevitably becomes intertwined with the complex areas of foreign policy and changes in the global dominance of nations. For the purposes of this discussion, geopolitical developments will be examined firstly for the Asian region, and secondly for the rest of the World.

In considering the stability of various world regions, McRae (1995) predicted that the European Community would continue to lack political cohesion, while in Asia power would be split between Japan and China. "China and Japan will have to form a relationship which enables both them and the newly industrialised nations of the region to prosper" (McRae, 1995). While a number of commentators have labelled the twenty-first century as the 'Age of Asia', McRae (1995) argued that this would not become apparent until 2030.

McRae's views need to be placed in the context of events that have occurred since his original work in 1995. In the intervening period the European Union has surprised many pundits with the successful introduction of the Euro. The Union continues to admit new nations to its collective, thereby establishing a stronger base from which to influence global trade and politics. In contrast, while some nations in the Asian region have shown strong growth since 1995, the region has experienced setbacks such as the Asian financial crisis in 1998; tensions caused by threats and acts of terrorism, and the spread of disease such as the SARS virus.

McRae (1995) further enthused that China will soon be faced with a situation where the prosperous communities of its newly industrialised provinces start to demand the same freedoms as Chinese communities in Hong Kong and overseas. Fifty-five million Chinese live outside China, and while overseas communities have developed into distinct cultural groups with local characteristics, their links to a common "Chineseness" remain strong (Knoke, 1996). Strongly influenced by capitalism, cities such as Guangzhou, Beijing and Shanghai are increasingly prosperous and display a widening disparity in living standards when compared with other parts of China. McRae argued that China would need to move towards the decentralisation of government authority to create a federation.

A stronger China, which is able to make a peaceful transition to a decentralised quasi-liberal federation, clearly offers many opportunities for the Australian tourism industry, including the attraction sector. Information from the World Tourism Organisation (2003) indicated that outbound travel from China has increased dramatically over the last decade, surpassing Japan with 16.6 million trips abroad in 2002. However, a stronger China, and potentially weaker United States, could result in a world that McRae (1995) described as more dangerous in 2020 than it is now. Galbraith (1999) argued that as the dominant world power, the United States must develop a procedure whereby sovereignty is suspended in countries that are devastating their people. US intervention in Iraq and Afghanistan may be emerging indicators that this view is gaining acceptance in Washington.

Peace has long been recognised as a key precursor for travel (Litvin, 1998). Fukuyama (1992) proposed that history is a single, evolutionary process and that this evolution is nearing an end as a result of the success of liberal democracy and capitalism. In essence Fukuyama was suggesting that a golden era was at hand, an era in which capitalism had triumphed and rogue nations had fallen into place – thus creating a vacuum for history. Similarly optimistic was Kaku's (1998) view that the growing international middle class could drive the world toward unification. According to Kaku, the industrialisation of developing nations was creating a new middle class that would be an "engine of social change".

Such views contrast sharply with Huntington's (1996) prescription for a clash of civilisations. Huntington adopted an anthropological perspective when suggesting that *tribalism* drives political developments and that the world now has more 'tribes' than at any time in its past. These tribes would, in this view, inevitably clash:

Power is shifting from the long-dominant West to non-Western civilisations... At the micro level, the most violent fault lines are between Islam and its Orthodox, Hindu, African, and Western Christian neighbours. At the macro level, the dominant division is between 'the West and the rest'...The dynamism of Islam is the ongoing source of many relatively small fault line wars; the rise of China is the potential source of a big intercivilisational war... (Huntington, 1996, pp 29, 183, 209)

Buzan and Segal (1998) contended that the 'clash of civilisations' vision ignored cross-cultural fusions and overlooked the fact that many nations were too strongly divided within themselves to operate as a 'tribe' in a power struggle with others. Given the disparate opinions of Fukuyama and Huntington, it is tempting to conclude that the outcome may most likely fall somewhere between these predictions. However, such conclusions would be flawed in this instance as the observations represent worldviews that are heavily speculative in nature and simplistic in their treatment of geopolitical interactions.

The rise of Islamic fundamentalism over much of the developing world may emerge as a more potent and volatile global development. Knoke (1996) has observed that Islam traverses national borders with ease, but argued that Islamic *fundamentalism* would ultimately collapse. In support of this view he highlighted a number of parallels between today's Islamic fundamentalism and the 1917 Bolshevik Revolution:

Both grew out of an ideological fervour to create a utopian world by yielding individualism to a higher good: socialism for the Bolsheviks, Allah for fundamentalists. Both require strict conformity to ideological norms. Both systems have their inner circle of ideological experts who issue decrees to the faithful based on supposed ideological values. They view the rest of the world as satanic and worthy of conversion, even by force, and use the need to invest in global expansion as an excuse for further sacrifice at home. Both systems are a reaction to the unprecedented wealth created elsewhere, and an attempt to foster autonomy while suppressing foreign interference or ideologies (Knoke, 1996, p. 194).

The potential outcome of the collapse of Islamic fundamentalism, according to Knoke, would be that the people affected may find their living standards further behind the rest of the world. For tourist attractions, this potentially creates a world in which the disparities between the poor and the wealthy are even larger; a world in which travellers are easy targets for the less wealthy.

Toffler (1991) ominously predicted that the widening disparities between regions could trigger an outbreak of extremist movements demanding regional or local autonomy or actual secession. The prevalence of terrorism could increase over the next few decades as the developed world advances, while many in the third world fall further behind. "Pressures on the environment will pit naturalists against industrialists. Wanton consumerisms will pit fanatic spiritualists against capitalists. It is not clear that the nation-state of old can react, because the battle is not against the state but within it" (Knoke, 1996, p.221). Scott (2002) cautioned that travel restrictions could result from the large-scale outbreak of biological disease dispersed by terrorists.

As a counter note, it has been suggested that the increased *feminisation* of politics has positive implications for world peace. Recent history suggests that women approach politics, particularly international politics, very differently from the way men do. As Fukuyama (1999) noted: "let's face it, most of the trouble in the world is caused by young men, or else Saddam Hussein types who want to lead young men into various kinds of adventures."

At a pragmatic level, there needs to be some recognition that predictions about trends in the geopolitical arena are perhaps the most speculative of all. While social and economic trends are readily tracked by statistics, and technology trends are based on tangible technological advances, political trends are subject to the vagaries and complex interplay between individuals, governments, terrorists and rogue states.

## Attraction Sector Trends

### International Experiences in Tourist Attraction Management

#### Management and Marketing

Some authors have identified interesting trends in the U.S. attraction sector that are worth discussing in an Australian context. Pearce (1998) examined a number of tourist attractions in the United States, Italy and Australia and derived twelve leading management and marketing trends. These trends, summarised in *Table 7.1*, are by no means conclusive, but they do provide new perspectives on emerging practises in the attractions sector.

Earlier work by Lavery and Stevens (1990) supported Pearce's (1998) suggestion that retailing will play an increasingly important role in tourist attractions. They suggested that the closer the relevance of souvenirs to the core theme of the attraction, the greater the visitor interest in purchasing. It is also suggested that the integration of retailing and leisure will ultimately extend to indoor shopping complexes and malls, where the attraction will be ancillary to the shopping experience.

Both Middleton (2001) and Stevens (2003) commented on the decline in visitors to traditional attractions. This decline has been attributed to intense competition from a wide range of rapidly emerging, innovative leisure products. A decline in visitor numbers, combined with decreasing public capital and revenue funding, have encouraged some tourist attractions to expand their revenue streams into areas such as conference venues, events and off-site activities (Leask, 2003).

Middleton (2001) has written prolifically about the increasing popularity of leisure centres in the United Kingdom. These centres combine retail, leisure, entertainment, catering and even accommodation into integrated complexes designed to have broad market appeal. *Table 7.2* contrasts these leisure centres with traditional attractions and provides some indication of their appeal. Interestingly, Australian companies operating abroad have developed many of the most recent examples. Lend Lease has developed some of the largest centres of this type in the United Kingdom, while Westfield Holdings has been very aggressive in the United States. Global examples include Bluewater Park and Trafford Park in the United Kingdom and West Edmonton Mall in Canada.

**TABLE 7.1 – Summary of leading trends in tourist attractions**

<b>Trend</b>	<b>Description</b>
1. <i>All inclusive price</i>	The trend to adopt a single entry charge is replacing component pricing
2. <i>Attention to managing entry</i>	The first few minutes spent in an attraction is increasingly being seen as vital in organising visitor time and attention
3. <i>Membership developments</i>	Special deals for members and friends to encourage repeat visits and build special attraction loyalty are emerging
4. <i>Roving interpretation</i>	The use of roving staff to provide explanations to visitors of the exhibits or setting is a new trend
5. <i>Shopping specialities</i>	The better realisation of retailing opportunities through distinctive products is strengthening commercial initiative
6. <i>Visual souvenirs</i>	Particularly for action-oriented attractions providing a video or photograph souvenir adds to attraction income and its use is growing across a range of sites
7. <i>Integration with festivals/events</i>	Greater development of themes built on special events and festivals diversifies the attraction's appeal and is being widely employed
8. <i>Supplementary activities</i>	Using attractions for film sets, weddings, as sites for incentive travel and film festivals adds to the use of the resource for more income and is gaining popularity as attractions seek to diversify
9. <i>Partnerships with other attractions</i>	Sharing attendance data and participating in joint marketing is an emerging cooperative trend, partly counternoting a trend for large companies to operate a suite of attractions
10. <i>Market niche orientation</i>	Attracting new markets by offering special opening hours or adding specialist features is a growing initiative
11. <i>World Wide Web marketing and purchasing</i>	The use of the WWW not just as an information tool but as a ticket purchasing and souvenir purchasing mechanism is an active development in the United States and likely to spread to other locations.
12. <i>People pressure management</i>	In attractions with high density new visitor numbers and pressure, strategies to enhance visitor comfort and reduce visitor and resource stress is being crafted

Source – Pearce, 1998

Middleton (2001, p.201) noted that the “one-stop leisure/retail/entertainment complex development is highly profitable because it fits perfectly with a multiple car owning society that is ‘money-rich and time-poor’”. In some instances, shopping centres have transformed themselves into amusement parks and cultural/entertainment centres (Tarlow and Muehsam, 1992). In Australia, Tourism New South Wales (1999) has also noted a major trend towards the incorporation of tourist attractions within mixed-use complexes while Tourism Victoria (2002) has commented on the merging of the tourism and leisure industries. Such trends place traditional tourist attractions in competition with other leisure and entertainment activities such as theatre, home entertainment and other related products and services. While some of the characteristics of integrated leisure attractions are evident in newer Australian attractions, perhaps the best example is Darling Harbour, which is administered through an integrated management structure provided by the Sydney Harbour Foreshore Authority.



**TABLE 7.2 – Contrasting integrated leisure attractions and traditional attractions**

<b>Integrated Leisure Attractions</b>	<b>Traditional Attractions</b>
They are large-scale complexes capable of sustaining between 5 and 35 million visits a year.	Stand alone, the majority on a very small-scale basis with less than 50 visits on average per day
They are open for 15 (and up to 24) hours a day, 363 days a year – under cover – providing for maximum dwell time on site.	Short opening hours – short dwell time on site of 2-3 hours, many not open every day. Seasonal demand – often weather dependent
Free at point of entry, often with sheltered walkways from the car parks.	Up front, very visible charge for admission – either at a car park or a reception building or kiosk.
A safe, graffiti-free, patrolled, clean, air-conditioned and relaxed environment designed and managed around consumer interests – uniformed staff are available as ‘hosts’ to guide and help visitors.	Many with a long-standing public sector management methods and a single/limited product focus designed and managed around the resource needs rather than consumer interests.
Multiple product base – retailing, themed catering and bars, entertainment, recreation, family and health facilities – select your own experience.	
Spectacular surroundings with space for live shows, events, and exhibitions and architecture designed to appeal to the imagination.	
Multiple repeat visits and excellent prospects for developing a loyal clientele using databases and relationship marketing.	Mostly once only visitors with few reasons for repeat visit (cost of attracting first time visitors rising).
Professional management, strong branding and typically linked into international alliances, often making designer label products available at advantageous prices.	Weak management/management deficit. Often with only weak links to other businesses
Appreciating capital assets, with profitability ploughed back into refurbishment.	Revenue inadequate for the essential refurbishment cycle so that major changes are unusual and visible dilapidations are all too often evident.
Attractive to private sector investors such as pension funds and investment trusts seeking profitable growth and attractive to public sector planners for the economic benefit they bring, often to formerly derelict industrial sites.	Unattractive to private investors since very few offer growth prospects in capital asset and revenue growth terms. Often unattractive to the public sector as it seeks to limit and withdraw from its revenue funding commitments.

*Adapted from Middleton (2001)*

Stevens (2003) predicted that the investment appeal of integrated leisure complexes will lead to fresh sources of funding in the attraction sector. Investors will in return expect a professional approach to the management of these attractions. Increased professionalism will create a need for specialist destination companies operating on a worldwide basis, leading to the further globalisation of the industry.

Allied with the concept of integrated leisure complexes, albeit at a larger scale, is the emergence of ‘Fantasy Cities’, or Urban Entertainment Destinations (UEDs). Faced with the decline of urban centres, a number of cities have transformed central business precincts into settings that offer shopping, dining, entertainment, education and culture in a predictable and secure environment (Hannigan, 1999). Examples include Las Vegas,

Times Square, and Darling Harbour in Sydney. According to Hannigan (1999) UEDs have six common features:

- 1) They are developed around themes, usually drawn from sport, history, or popular entertainment;
- 2) They are usually aggressively marketed, often with the help of large corporate sponsors (e.g. Nike and Coca-Cola);
- 3) They operate day and night;
- 4) They offer an array of standard entertainment 'modules' such as themed restaurants, multiplex cinemas, high tech amusements and mega stores;
- 5) They are physically, socially and economically isolated from the local urban environment; and
- 6) They offer a post-modern environment constructed around technologies of simulation, virtual reality and the thrill of the spectacle.

A broader corporate trend has been the merging and blending of companies with similar markets, goals or philosophies. With the exception of the hospitality and transport sectors, tourism in Australia has undergone very little 'corporatisation'. Small attractions have on the whole continued to operate as individual entities without considering the efficiencies and economies of scale offered by a diversified portfolio of tourist businesses. Investors have also failed to pursue strategies of gathering individual businesses under broader corporate structures. Within the Asia-pacific region, Chamberlain (2001) noted a tendency for strong tourism companies to buy weaker competitors, while some were looking for alliance partners in an attempt to create stronger collective organisations.

Matathia and Salzman (1999) argued that one of the most important factors driving mergers and acquisitions around the world is the desire for global expansion. Market forces and advances in computer technology will enable larger tourism businesses to achieve greater efficiencies through vertical integration and strategic alliances. (Northern Territory Tourist Commission, 2002). These developments will not necessarily create the extravagant 'mega-corporations' of the 1980's, but companies that Knoke (1996) has described as 'amoeba' organisations. Amoeba organisations do not use traditional top-down structures of parent companies and subsidiaries, but a conglomeration of decentralised businesses, each with its own unique character and strengths. A portfolio of small tourism businesses (attractions, accommodation, transport, catering) that have a number of synergies would correspond comfortably with this concept. Such businesses would continue to have a high level of independence, while taking advantage of marketing and cost efficiencies offered by a larger entity.

It could be argued that corporatisation would erode the eccentricity and 'soul' of individual attractions and increase barriers to entry for small operators. Müller (2001, p.70) has lamented that "tourism must become more human...many people have become hard-hearted, strategy conscious tourism professionals focused on rational action." However, the forces of globalisation will inevitably introduce the concept of 'tourism companies' to Australia and smaller attractions will find it difficult to compete. It has been argued that the key to future attraction development will be in creating and controlling intellectual properties and brands. Successful attractions will develop unique experiences incorporating themed retail and entertainment with powerful brands that cannot be

duplicated (Stevens, 2003). An Australian example of this approach is the dominance of the Japanese company Daikyo in the Cairns tourism industry.

Cetron (2001) suggested that globalisation is obscuring a more profound structural change in the economies of developed nations. He has noted that organisations appear to be undergoing a bimodal distribution, in which economies of scale drive the big to get bigger, while small companies are prospering by providing high levels of service in niche markets. Since middle-sized companies lack either of these advantages it is argued that they are either forced out or absorbed by larger competitors. It will be interesting to observe whether tourist attractions follow one or both of these paths in the medium-term future.

In the short to medium term, the concept of alliances and cooperative arrangements between attractions may be a more palatable and equally effective form of conglomeration. Knoke (1996; p.165) stated that “while corporations decentralise and fragment, the individual pieces are reassembling in new constellations of power that will be the hallmark of the twenty-first century: the units are forming alliances with detachments from other corporations – even their competitors.” This notion is compatible with the concept of attraction “clusters”, which provide tourism activities and synergies within a clearly identifiable geographic area (Tourism Tasmania, 2000). The concentration of attractions into corporate holdings and alliances would suggest a rapidly changing environment in which individual attractions must compete. Existing attractions are increasingly becoming more sophisticated and aggressive in their marketing (Robinson, 1994; Lavery and Stevens, 1990). In this context, attractions may need to devote more resources to analysing and countering their competitors.

In terms of product development, Bramwell (1991) suggests that demand for ‘white-knuckle’ rides may give way to experiences such as simulated floods and earthquakes, and stage shows. Furthermore, wet-weather facilities that extend the seasonal demand for attractions could also become more common. Lavery and Stevens (1990) observed that a trend toward experience-based leisure may create a need for more sophisticated ways of enlivening attractions. According to this perspective, live theatre, living history and frequently changing programs of events could lead to greater investment in staff rather than capital (Lavery and Stevens, 1990). This would in turn place greater emphasis on the provision of enhanced service and personal attention to visitors. While this is a useful perspective, these authors base their observations on developments in the United Kingdom and European attraction sectors, which have traditionally focussed on heritage and cultural attractions. Robinson (1996) suggested a move away from mass capacity, low price, unbooked visitor attractions to low capacity, high prices, and completely themed experiences. In a similar vein, Tourism Tasmania (1999) has cited the Irish Tourism Strategy, which identified a rapid change in world trends for attractions and visitors including:

- 1)** A strong use of theme and technology in the amusement park sector
- 2)** A greater emphasis on visitor satisfaction and entertainment in the museums and historic sites sector
- 3)** A greater emphasis on broad educational, interpretation and entertainment in the natural attractions sector

Tourism News South Wales (1999) have also identified three important features in the evolution of new attractions: (1) the use of extensive themeing within attractions; (2) better

access and locations close to where people already gather; and (3) targeting niche markets rather than attempting to appeal to a broad market.

Swarbrooke (2002) identified the growing importance of professionalism in the attraction sector, and stressed that managers needed to be adequately trained to ensure that attractions remained competitive. In larger attractions this could mean recruiting managers from outside the attraction sector. Swarbrooke also suggested that marketing would become the primary focus of operators, as the importance of market-led demand became widely recognised. Current marketing for most attractions has been described as 'embryonic', usually relying on the distribution of colour leaflets and a small amount of advertising in local guides (Robinson, 1994). Clearly there is scope for more sophistication in an increasingly competitive marketplace.

## Market Trends

Changes in visitor numbers and preferences.

### Visitor numbers

Any review of tourist trends would be incomplete without an examination of international and Australian travel patterns and trends. Research in this area is chiefly the concern of the World Tourism Organisation and national and state tourism organisations. The following discussion is deliberately brief, in recognition of the fact that a number of global events have the ability to invalidate the patterns and trends identified by tourism organisations.

The World Tourism Organisation (2000) has predicted that international visitor arrivals could reach 1.6 billion by 2020. Within this time frame a number of profound shifts will occur in international travel patterns. The most compelling projection is that, with 130 million international arrivals, China will be world's single largest international destination. A growing middle class in China will also make it one of the leading generators of international travellers. A broader global trend is a shift toward Asian destinations, with the WTO's East Asia and the Pacific region surpassing the Americas as the second highest recipient of international travellers by 2020. Consequently, countries such as Thailand, Indonesia and Malaysia have been identified as high growth generators within this region.

The World Tourism Organisation (2000) estimated that the Australasia region would experience a growth rate of 6.2 per cent per annum. In contrast the Northern Territory Tourist Commission (2002) anticipated that tourist arrivals to Australia would grow at an average of 7.4% annually over the next decade, with 10.4 million visitors expected in 2012. It was further expected that by 2012, 44% of international visitors would come from Asia (excluding Japan). The numbers of Chinese visitors were expected to grow at 20.8% annually up to 2020. There is clearly a need for attractions to consider whether their product will continue to appeal to a new mix of Asian visitors.

It has also been predicted that while holiday travel will continue to grow, the growth in business travel is expected to be much more dramatic (Commonwealth of Australia, 2002). It is worth highlighting, however, that business travel constitutes less than 15% of international travel to Australia. Furthermore, Commonwealth of Australia (2002) predictions suggest that while visitor numbers will increase by 7.3% annually, the growth rate for international visitor nights is expected to be only 4.5 % annually. The key cause of this discrepancy appears to be a trend toward shorter breaks, combined with the relatively strong growth in the number of business travellers (who generally spend fewer nights). Thus the opportunities for attractions that focus on the holiday market are not as

prosperous as might initially appear. Shorter holidays would suggest that visitors have less time to experience all of the attractions that a destination has to offer. The implication for attractions is that short break visitors may choose to experience major landmark attractions at the expense of smaller niche operators. In this context, more research is required to investigate the attraction choices and visitation patterns of various market segments, including first time and repeat visitors.

It has been suggested that changes in global and Australian aviation have the potential to impact markedly on the projections for international travel (Australian Tourist Commission, 2001). The aviation sector is characterised by declining yields, increasing external costs, competition and regulation. Any rationalisation within the aviation sector would alter both visitor numbers and travel patterns, as routes that are deemed unprofitable are terminated. A potential reduction in the number of carriers would result in less choice and higher fares for consumers and may impact on the capacity for tourism to grow. Further, Todd (2001) noted that the “progressive decline in seat-mile costs in air transport which has been achieved by step increases in the size, range and fuel efficiency of aircraft may be harder to maintain in the next 50-years of aircraft development than in the past 50.” At the heart of this statement is the suggestion that international travel has grown largely as a result of aviation advances, which have made travel more affordable.

International arrivals are only a small source of visitors for many Australian attractions and the trends discussed above must therefore be tempered by a consideration of domestic travellers and their preferences. It has been estimated that Australians took over 75 million overnight trips and spent 302 million visitor nights away in 2002–03 (Commonwealth of Australia, 2003). This accounted for around 75 per cent of visitor nights and 80 per cent of visitor expenditure in Australia. However, the Commonwealth Government noted potential for further growth when observing that only 39 per cent of full-time employees took all of their annual leave entitlements in 2002. The growth of domestic tourism has been described as “slow but steady”, with average annual growth in visitor nights of 1 % over the last three years. If domestic visitor numbers continue to increase gradually, the suite of social and demographic changes discussed earlier will more accurately reflect the types of attractions Australians will visit in the future.

While the long-term prospects for tourism remain strong by all accounts, there is a need to overcome the short-term negative impacts created by global political instability and health concerns. Recent terrorist events and the outbreak of the SARS virus caused a short-term downturn in inbound tourism to Australia, creating a flow-on effect to regional dispersal, capacity constraints on international air routes, and increased competition between destinations for a share of a smaller travelling market.

## **Visitor Preferences**

It has been suggested that as the tourism industry evolves, traditional visitor markets may fragment into numerous niche markets with individual needs, desires and expectations (Jurowski and Olsen, 1995). Swarbrooke (2002) suggested that attractions will need to use more sophisticated market segmentation methods in response to the complexities of modern society.

Emerging customer trends suggest that visitors are increasingly seeking benefits such as opportunities for ‘fun’ learning, ‘hands-on’ participative activities, ‘green’ environmentally friendly facilities and more contemporary themes (Martin and Mason, 1990; Jurowski and Olsen, 1995). An additional customer need identified by Stevens (1991) is the provision of

safe, clean and attractive environments in which to experience the rides, facilities and services provided by an attraction.

Jurowski and Olsen (1995) have stated that “individualism, maturity, concern for the environment, and the desire for life expanding experiences” will characterise a large proportion of attraction visitors. These emerging characteristics do not suggest the end of Cohen’s (1972) ‘bubble tourist’ but the emergence of substantial new markets with special needs. Martin and Mason (1993) have suggested nothing less than a “transformation” of western society away from a focus on conventional economic growth and material influence (the quantity of life) towards a set of values that puts more emphasis on the quality of life. This is certainly consistent with other authors, who have noted a shift from hedonistic pleasure toward life-enhancing travel experiences (Jurowski and Olsen, 1995).

Müller (2001) expanded upon many of the social changes discussed earlier when summarising 10 travel trends that resulted from a European Delphi study of travel to 2005. These trends are summarised in *Table 7.3*. The table also provides a summary of other authors who have discussed similar changes in travel preferences. In support of Müller’s identification of a trend towards adventure-oriented holidays, Scott (2002) indicated that the combined effects of a ‘shrinking planet’ and more experienced travellers would result in greater demand for exotic, ‘off the beaten track’ destinations. Similarly, the World Tourism Organisation (2000) commented that there was a trend to travel to more remote and less well known and accessible locations.

The increasing sophistication of visitors is a trend that not only applies to tourism but also to the broader community. Voase (2002) discussed two types of consumers that exemplify parallel but different “species of sophisticated ‘new’ consumer”. The first is the *thoughtful consumer* who displays a yearning for active rather than passive learning. The second, termed the *smart consumer*, is aware of commercial gimmickry and sees the visit essentially in terms of a transaction, in which value for money is a key feature. The thoughtful consumer may be more interested in seeking an honest exposure to the unique culture and heritage of areas they visit. According to this view, cultural or heritage activities that are perceived as contrived or unauthentic or primarily designed for the ‘tourist’ would be less attractive. In contrast, the smart consumer may be less concerned with authenticity and is simply interested in an experience that delivers high levels of service and quality. It is argued that some attractions will appeal to either of these visitor groups while others will inherently attract only one group.

A broader societal trend that accompanies increased sophistication, is the desire for life long learning. The rapid pace of change in society and technology has created a need for lifelong learning and tourist attractions can arguably play a role in this broader learning process. Art galleries, museums, and historical sites provide experiences to learn from, however, the way in which the visitor interacts with objects and people in these settings will require careful planning and consideration (Coates et al., 1997). In order to compete with other entertainment and education opportunities, attractions will need to engage the visitor with a rich palette of interpretive tools. Matathia and Salzman (1999) have referred to the concept of ‘edutainment’, which combines education and entertainment. “Anything that teaches us while we play is edutainment; and it will only be more important in the years ahead as we strive to make the next generation more competitive” (Matathia and Salzman, 1999, p.108). The shift towards more educated and discerning customers, according to Tourism Victoria (2002), may result in a greater emphasis on niche tourism and tailored tourist experiences.

**TABLE 7.3 – Changes in tourism market trends (Müller 2001)**

<b>Müller's Trends</b>	<b>Also discussed by...</b>
<b>Trend towards adventure-oriented holiday behaviour</b> <b>Seeking a more intensive leisure experience</b>	Scott, 2002; Tourism Victoria, 2002
<b>Trend toward going it alone</b> Seeking even more independent holidays in line with personal ideas, with a preference for more flexible holiday products	Scott, 2002
<b>Trend towards more sophisticated travel products</b> Seeking trips that offer culture and education, as well as variety; both passive recreation and hyperactive sport are 'out'.	Scott, 2002; Voase, 2002; Coates et al., 1997; Tourism New South Wales, 1999
<b>Trend towards more wellness during holidays</b> Seeking form of travel that offer overwrought modern man holistic relaxation, with a healthy diet, gentle exercise, beauty and body care and a wide variety of therapies.	Northern Territory Tourist Commission (2002); Tarlow and Muehsam (1992); Scott (2002); Tourism Victoria (2002); Matathia and Salzman (1999)
<b>Trend towards 'second homes'</b> Seeking cosy holiday accommodation as home-like refuges with a high degree of comfort.	
<b>Trend towards sunny travel destinations</b> Seeking holiday destinations with guaranteed sunshine – above all during cold, wet winters.	
<b>Trend towards cheaper travel</b> Seeking (cheap) products that represent value for money: holidays at rock-bottom prices and growing market transparency thanks to the Worldwide Web encourage this tendency.	
<b>Trend towards more frequent, shorter trips</b> Seeking products that offer occasional variety.	Australian Tourist Commission (2002); Tourism Victoria (2002); World Tourism Organisation (1999)
<b>Trend towards spontaneous travel decisions</b> Seeking offers that can be booked at the last minute (or even at the last second) and which are not only cheap but also comprise an element of surprise.	
<b>Trend towards more mobile travel patterns</b> Seeking products with frequent changes of location, with travelling as the major attraction.	

A trend towards more frequent, shorter trips has also been identified by a number of commentators (Australian Tourist Commission, 2002; Tourism Victoria, 2002; World Tourism Organisation, 1999). Matathia and Salzman (1999) provided an interesting tourism industry response to this trend when describing recent innovations by the *Club Mediterranee* resort chain. Club Med has introduced the concept of 'mini-clubs' – urban versions of its resort villages that are aimed at visitors who stay for only a few hours. The mini-clubs feature bistros, cafes, logo merchandise and fitness centres in which visitors enjoy activities such as rock-climbing and snorkelling.

The World Tourism Organisation (1999) identified a further trend not explicitly addressed by Müller (2001). According to the World Tourism Organisation, travellers are increasingly interested in more socio-culturally acceptable tourism products, particularly those that explore the natural environment and local indigenous cultures.



---

## Conclusion

This report has provided a detailed set of macro and micro environmental trends that have the potential to influence the attraction sector in the future. These trends were tempered by a recognition that the work of a number of authors was highly speculative and lacked empirical testing or widespread collaborative agreement. However, these trends were presented in order to canvas a thorough, wide-ranging collection of relevant views about the future, so that they may be considered and evaluated by attraction operators.



## References

- Affolter, (2001) The tourism marketplace: new challenges. In Lockwood, A. and Medlik, S. (eds) *Tourism and Hospitality in the 21<sup>st</sup> Century*. Oxford: Butterworth-Heinemann.
- Anderson, F. (1999) Gene therapies. In Griffiths, S. (ed) *Predictions: 30 Great Minds on the Future*. Oxford: Oxford University Press.
- Ashford, D.M. (1997) Space tourism - how soon will it happen? *Proceedings from the 1997 IEEE Aerospace Conference, Snowmass, Colorado, Feb. 1-8*.
- Ashmore, G.M. (1988) Bringing information technology to life. *The Journal of Business Strategy* 9(3):48-50.
- Australian Bureau of Statistics (2002) Australian Social Trends 2002. [Online]. Available: <http://www.abs.gov.au/ausstats/>
- Australian Bureau of Statistics (2003) Year Book Australia 2003. [Online]. Available: <http://www.abs.gov.au/ausstats/>
- Australian Tourism Commission (2002) *ATC Corporate Plan 2002/2003-2006/2007*. Sydney: Australian Tourism Commission.
- Butler, R.W. (1980) The concept of a tourist area cycle of evolution: implications for the management of resources. *Canadian Geographer* 24:5-12.
- Buzan, B. and Segal, G. (1998) *Anticipating the Future*. New York: Simon & Schuster.
- Cetron, M (2001) The world of today and tomorrow: the global view. In Lockwood, A. and Medlik, S. (eds) *Tourism and Hospitality in the 21<sup>st</sup> Century*. Oxford: Butterworth-Heinemann.
- Cetron, M. and Davies, O. (1997) *Probable Tomorrows: How Science and Technology will Transform our Lives in the Next Twenty Years*. New York: St Martins Press.
- Chamberlain, K. (2001) Asia Pacific. In Lockwood, A. and Medlik, S. (eds) *Tourism and Hospitality in the 21<sup>st</sup> Century*. Oxford: Butterworth-Heinemann.
- Cheong, R. (1995) The virtual threat to travel and tourism. *Tourism Management* 16(6):417-422.
- Coates, J.F., Mahaffie, J.B. and Hines, A. (1997) *2025: Scenarios of US and Global Society Reshaped by Science and Technology*. North Carolina: Oakhill Press.
- Cohen, E. (1972) Toward a Sociology of International Tourism. *Social Research* 39(1):164-82.

- Collins, P. (1999) SpaceFuture. Available at: <http://www.spacefuture.com/>
- Commonwealth of Australia (2002) *The 10-Year Plan for Tourism: A Discussion Paper*. Canberra: AGPS.
- Evans, N., Campbell, D. and Stonehouse, G. (2003) *Strategic Management for Travel and Tourism*. Oxford: Butterworth-Heinemann.
- Fukuyama, F. (1992) *The End of History and the Last Man*. London: Penguin.
- Fukuyama, F. (1999) The politics of women. In Griffiths, S. (ed) *Predictions: 30 Great Minds on the Future*. Oxford: Oxford University Press.
- Greenfield, S. (1999) George Orwell's 1984...in 2084. In Griffiths, S. (ed) *Predictions: 30 Great Minds on the Future*. Oxford: Oxford University Press.
- Gunn, C. (1988) *Vacationscape: Designing Tourist Regions (Second Edition)* New York: Van Nostrand Reinhold.
- Hannigan, J. (1999) *Fantasy City: Pleasure and Profit in the Postmodern Metropolis*. New York: Routledge.
- Huntington, S. (1996) *The Clash of Civilizations and the Remaking of World Order*. New York: Simon & Schuster
- Institute for Alternative Futures (2001) *Alternative Futures, October 2001*.
- Jurowski, C. and Olsen, M.D. (1995) Scanning the environment of tourism attractions: a content analysis approach. *Journal of Travel and Tourism Marketing* 4(1):71-95.
- Kaku, M. (1998) *Visions: How Science will Revolutionise the Twenty-First Century*. Oxford: Oxford University Press.
- Knoke, W. (1996) *Bold New World: The Essential Road Map to the Twenty-First Century*. New York: Kodansha.
- Kottler, J.A. (1998) Transformative travel. *The Futurist* 32(3):24-28.
- Lavery, P. and Stevens, T. (1990) Attendance trends and future developments at Europe's leisure attractions. *EUI Travel and Tourism Analyst* 2:52-75.
- Leask, A. (2003) The nature and purpose of visitor attractions. In Fyall, A, Garrod, B. and Leask, A. (eds) *Managing Visitor Attractions*. Oxford: Butterworth-Heinemann.
- Litvin, S.W. (1998) Tourism: The world's peace industry? *Journal of Travel Research* 37(1):63-67.
- Loverseed, H. (1998) Aboriginal tourism in North America. *Travel and Tourism Analyst* 6:42
- Martin, B. and Mason, S. (1990) What makes a successful attraction? *Insights: Tourism Marketing Intelligence Service*. A35-37.

- Matathia, I and Salzman, M. (1999) *Next: Trends for the Near Future*. New York: Overlook Press.
- McRae, H. (1995) *The World in 2020: Power, Culture and Prosperity" A vision of the Future*. London: Harper Collins Publishers.
- Middleton, V. (2001) Which way for tourist attractions? In Lockwood, A. and Medlik, S. (eds) *Tourism and Hospitality in the 21<sup>st</sup> Century*. Oxford: Butterworth-Heinemann.
- Müller, H. (2001) Tourism and hospitality into the 21<sup>st</sup> century. In Lockwood, A. and Medlik, S. (eds) *Tourism and Hospitality in the 21<sup>st</sup> Century*. Oxford: Butterworth-Heinemann.
- Naisbitt, J. (1999) *High Tech - High Touch: Technology and our Search for Meaning*. London: Nicholas Brealey Publishing.
- Northern Territory Tourist Commission (2002) *Northern Territory Tourism Strategic Plan 2003-2007*. Darwin: Northern Territory Tourist Commission.
- Pearce, P. (1998) Marketing and management trends in tourist attractions. *Asia Pacific Journal of Tourism Research* 3(1):1-8.
- Pohl, F. (1999) Disappearing technologies: the uses of futuribles. *The Futurist* 33(3):30-36.
- Porter, M.E. (1980) *Competitive Strategy: Techniques for Analysing Industries and Competitors*. New York: Free Press.
- Queensland Government (1998) *Not Over the Hill: Just Enjoying the View*. Brisbane: Queensland.
- Robinson, K. (1994) Future for tourist attractions. *Insights: Tourism Marketing Intelligence Service*. 5:D29-40.
- Scott, N. (2002) *Mega Trends Analysis: Gold Coast Visioning Project*. Victoria: Common Ground Publishing.
- Scott, P. Jones, B., Bramley, A. and Bolton, B. (1996) Enhancing technology and skills in small- and medium-sized manufacturing firms: problems and prospects. *International Small Business Journal* 14(4):85-99.
- Seekings, J. (1998) The youth travel market. *Travel and Tourism Analyst*. 5:37-55.
- Sheldon, P. (1997) *Tourism information technology*. Wallingford: CABI Publishing.
- Smith, C. and Jenner, P. (1997). The senior's travel market. *Travel and Tourism Analyst* 5:43.
- Stevens, T. (2003) The future of visitor attractions. In Fyall, A, Garrod, B. and Leask, A. (eds) *Managing Visitor Attractions*. Oxford: Butterworth-Heinemann.
- Swarbrooke, J. (2002) *The Development and Management of Visitor Attractions (Second Edition)*. United Kingdom: Butterworth-Heinemann.

- Tarlow, P.E. and Muehsam, M.J. (1992) Wide horizons: travel and tourism in the coming decades. *The Futurist* 26(5):28-33.
- Todd, G. (2001) World travel and tourism today. In Lockwood, A. and Medlik, S. (eds) *Tourism and Hospitality in the 21<sup>st</sup> Century*. Oxford: Butterworth-Heinemann.
- Toffler, A. (1991) *Powershift: Knowledge, Wealth, and Violence at the edge of the 21<sup>st</sup> Century*. New York: Bantam Books.
- Tourism New South Wales (1999) *Attractions Development Strategy for Regional New South Wales: Towards a successful New South Wales Attractions Sector*. Sydney: Tourism New South Wales.
- Tourism Queensland (2001). *Strategy for Growing Tourism*. Brisbane: Queensland Department of Tourism, Racing and Fair Trading.
- Tourism Tasmania (1999) *Tasmanian Tourist Attraction Survey*. Hobart: Tourism Tasmania.
- Tourism Victoria (2002) *Victoria's Tourism Industry Strategic Plan 2002-2006*. Melbourne: Tourism Victoria.
- Voase, R. (2003) Rediscovering the imagination: meeting the needs of the 'new' visitor. In Fyall, A, Garrod, B. and Leask, A. (eds) *Managing Visitor Attractions*. Oxford: Butterworth-Heinemann.
- Weaver, D.B. and Lawton, L. (2002) *Tourism Management (Second Edition)*. Milton: John Wiley and Sons.
- World Tourism Organisation (1998) *Tourism: 2020 vision: executive summary updated*. Madrid, Spain: World Tourism Organization.
- World Tourism Organisation (1999). Changes in leisure time: The impact on tourism. Madrid, Spain: World Tourism Organisation. Call number: 338.4791 CHA.
- World Tourism Organisation (2000) *Tourism Market Trends (2001 Edition)*. Madrid, Spain: World Tourism Organisation.
- World Tourism Organisation (2003) *Tourism Highlights 2002*. Madrid, Spain: World Tourism Organisation.