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*Crossing Frontiers Between Tourism and Demography.
An empirical Analysis based on European Travellers'
Behaviour*

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Agenda

1. Introduction
2. Theoretical background
3. Methodology
4. Results
5. Conclusions

▣ **Axioms that drove this research:**

- ▣ **Population ageing is occurring across the entire world** and this effect leads the humanity throughout **new patterns of political, social, cultural and economic challenges** (Bernini and Cracolini, 2015);
- ▣ **Literature about tourism and demography** is dominated by discussions on sustainability, but the **demographic perspective is largely ignored**. (Yeoman et al, 2013);
- ▣ **EUROSTAT'S demographic projections for 2050 highlighted a profound ageing effect on EU population** (UN, 2012);
- ▣ **In 2050 28.1% of the European population will be over the age of 65**, but countries such as Portugal, Germany, Spain and Italy will present **higher values than the average European ageing rate**;
- ▣ **UK** (one of the most relevant international tourism markets for Portugal) **faces an average growth of 78.9% of tis elderly population between 2013-2060** (EC, 2014).

▣ **Therefore the aims of our paper is:**

▣ **To conduct a study relating the effect of ageing on European travel decisions to visit Portugal.** Based on secondary data published by EC (2014), this research **intends to explore new demand patterns concerning the future of tourism in Portugal from a demographic perspective.**

- ▣ **Additionally, with the present research we intend to accomplish several specific objectives (SO), such as:**

SO1 – Identify the ageing characteristics of international tourism demand in Portugal.

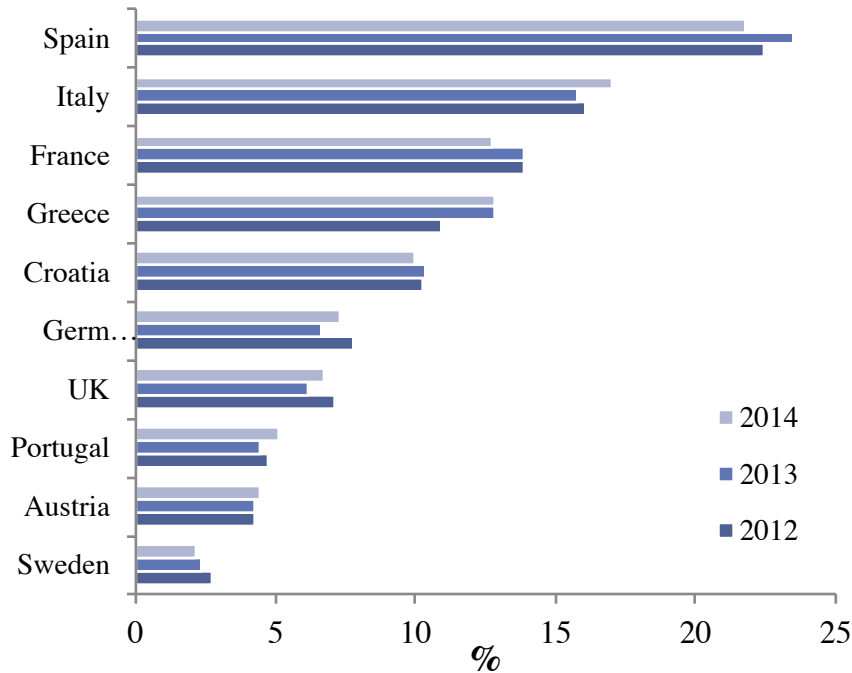
SO2 – Depict the socio-demographic and typographic characteristics of international tourism demand in Portugal.

SO3 – Relate the population structure and international tourism demand in Portugal.

SO4 – Suggest tourism demand scenarios supported by demographic projections.

Contextual settings: international tourism demand in Portugal

Figure 1. TOP 10 European destinations



- Fig. 1, we observe that within the 10 countries, 4 are southern, characterized by the lowest-low fertility rates (below 1.3 children per woman) observed in Europe since 1990s.
- Portugal was also acknowledge in 2011 as the 6th most aged country in the world (Mendes and Tomé, 2014).

Contextual settings: international tourism demand in Portugal



Portugal Tourism highlights

2015

48.905.600 overnight stays

70,4% international tourists

29,6% domestic tourists

TOP 10 - Year 2015

1.º United Kingdom

2.º Germany

3.º Spain

4.º France

5.º The Netherlands

6.º Brazil

7.º Ireland

8.º Italy

9.º USA

10.º Belgium

TOP 5
65%

From increasing life expectancy to new patterns of international tourism demand

- **Demographic changes in modern societies have created a considerable amount of challenges for the development of tourism**, mainly due to their implications for tourism participation behaviour (UNWTO and ETC, 2010).

- **Key demographic issues** to analyse in terms of impact of such characteristics on tourism demand and travel behaviours are (Yeoman et al., 2013; Bernini and Cracollini, 2015, among others):
 - Ageing population
 - Increasing life expectancy
 - Household composition
 - Family structures
 - Travel companions
 - Population location and migration

▣ Evolution of lifespan

- ▣ **As intricate interplay of advances in income, salubrity, nutrition, education, sanitation, and medicine (...), results of large improvements in human health (Riley, 2001).**
- ▣ **Recently, it has been the improvements in survival rated after the age 65 that contribute the most to lifespan extension (Oeppen and Vaupel, 2002).**
- ▣ **Demographic changes will also affect household structures and their dimension.** As a consequence these changes can influence households' travel and tourism choices.
- ▣ **Recent senior tourism research, published by Tiago et al. (2016) examines the niche of “grey” tourism (elderly) tourists, through a market-segmented perspective and suggested a group of different types of grey tourists in Europe.**

Travel decision and demographic factors

- ▣ **Decision to practise tourism** is also made in accordance **with the free/available time family of all/part family members.** (Medlik and Bukart, 1981).

- ▣ Despite a considerable amount of tourism demand studies, the **literature evidences a lack of discussion about the effects of demography on the future of tourism demand choice patterns** (Tiago et al, 2016; Yeoman et al, 2013; Yeoman et al, 2011).

- ▣ Over the past five years, only few authors examined these topics from a tourism based viewpoint, as indicated in table 1:

Table 1. Evidence of demography and tourism studies

Authors (Year)	Demographic variables	Unit of analysis
Tiago et al. (2016)	age; household size	European senior tourists
Bernini and Cracolici (2015)	age; household size	Italian households
Chen and Shoemaker (2014)	age; gender	American senior leisure tourists
Alén et al. (2014)	age	Spanish senior tourists
Szromek, Januszewska and Romaniuk (2012)	age; probability of death; average life expectancy at birth; number of deaths and births per 1000 population.	Spa visitors - Poland

Source: Authors' compilation

Based on the recent tourism and demography literature, this research, through an exploratory perspective, based on a cohort-component projection population, based on the age-group of each international tourism, demand inbound country in Portugal...




We identify the distribution of individuals who came on holiday to Portugal by age, average household size and country of residence.

▣ Data

- ▣ Population data and death counts were taken from the Human Mortality Database (<http://www.mortality.org>)
- ▣ Our focus was on the five most representative countries concerning tourism demand for Portugal (2013-2015): The United Kingdom, Germany, Spain, France, The Netherlands.
- ▣ Identification of sociodemographic characteristics of tourist demand, we used EUROBAROMETER reports and database on “Attitudes of Europeans towards Tourism” draw up in 2013, 2014 and 2015. Question were made regarding the previous year (2012, 2013, 2014).

▣ **Methods**

- ▣ the cohort-component population projection approach is the most consensual method for population projections worldwide (Rowland, 2003; Preston *et al.* 2001), and thus it is our choice to produce population forecasts for countries under study.
- ▣ we also added a probabilistic component to the method with the inclusion of a coherent functional method.

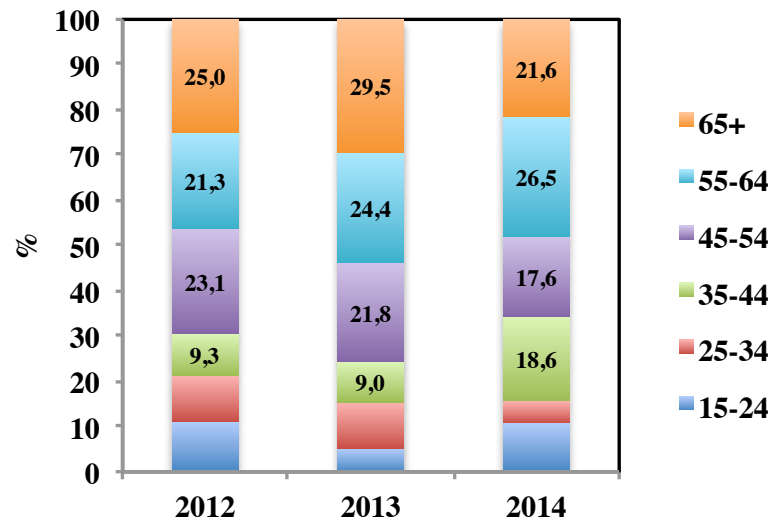


The coherent functional approach seeks to ensure that constructed forecasts for populations “maintain certain structural relationships based on extensive historic observation” Hyndman, Booth and Yasmeeen (2013), e.g., females always present higher life expectancy than males through history.

SO1 – Identify the ageing characteristics of international tourism demand in Portugal.

- Considering samples from Attitudes of Europeans towards tourism, we identify an increasing proportion of those aged 55-64 and aged 65+.
- 2013 was the year with highest proportion of elderly foreigner tourists in Portugal (age 65+)
- On average, individuals aged 55+ represented 50% of tourist demand across the 5 nationalities under analysis – German, Spanish, French, Dutch and British.

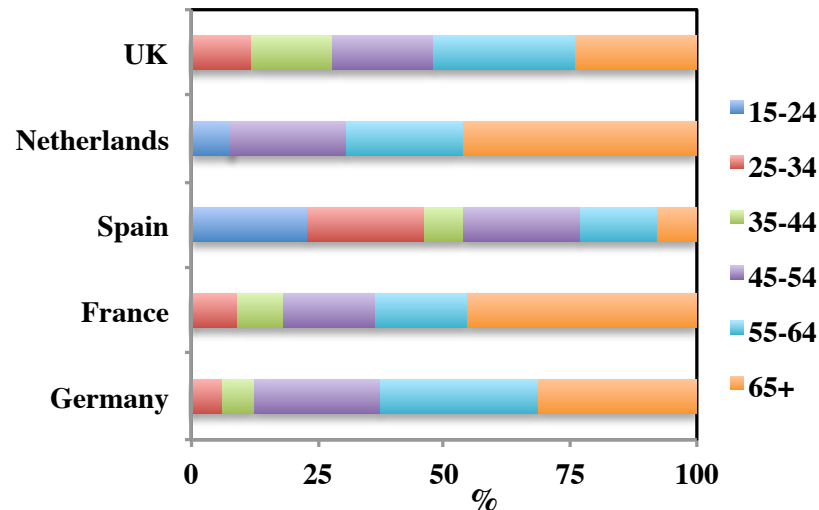
Figure 2. Distribution of individuals who came on holiday to Portugal by age groups in 2012, 2013 and 2014



Source: Attitudes of Europeans Towards Tourism (2013/2014/2015). Author's computation.

SO2 – Depict the socio-demographic and typographic characteristics of international tourism demand in Portugal.

Figure 3. Distribution of individuals who came on holiday to Portugal by age groups and by country of origin in 2013

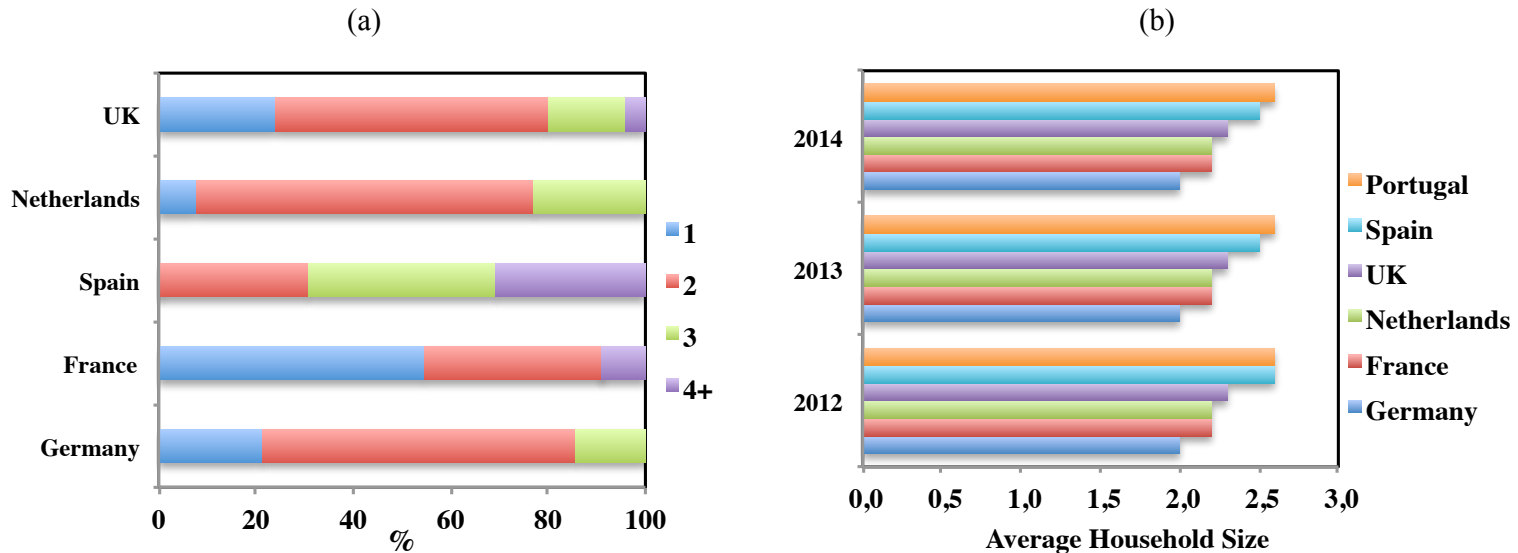


Source: Attitudes of Europeans Towards Tourism 2014. Author's computation.

- Accordingly to their nationality, and taking 2013 (Figure 3) as example, we can identify **Spain as the country from where younger tourists are choosing Portugal as main choice for holidays.**
- Spanish tourists in Portugal are generally younger than from other nationalities as we can observe in the figure. On the other hand, **52,0 % of British tourists in Portugal aged 55+, while in Germany the value raises to 62,6 %, in France to 63,7 % and in Netherlands to 69,3 %.**

SO2 – Depict the socio-demographic and typographic characteristics of international tourism demand in Portugal.

Figure 4. Distribution of individuals who came on holiday to Portugal aged 15 or more living in the same household, by country of origin in 2013 (a) and Average Household size by country of residence in 2012, 2013 and 2014 (b)

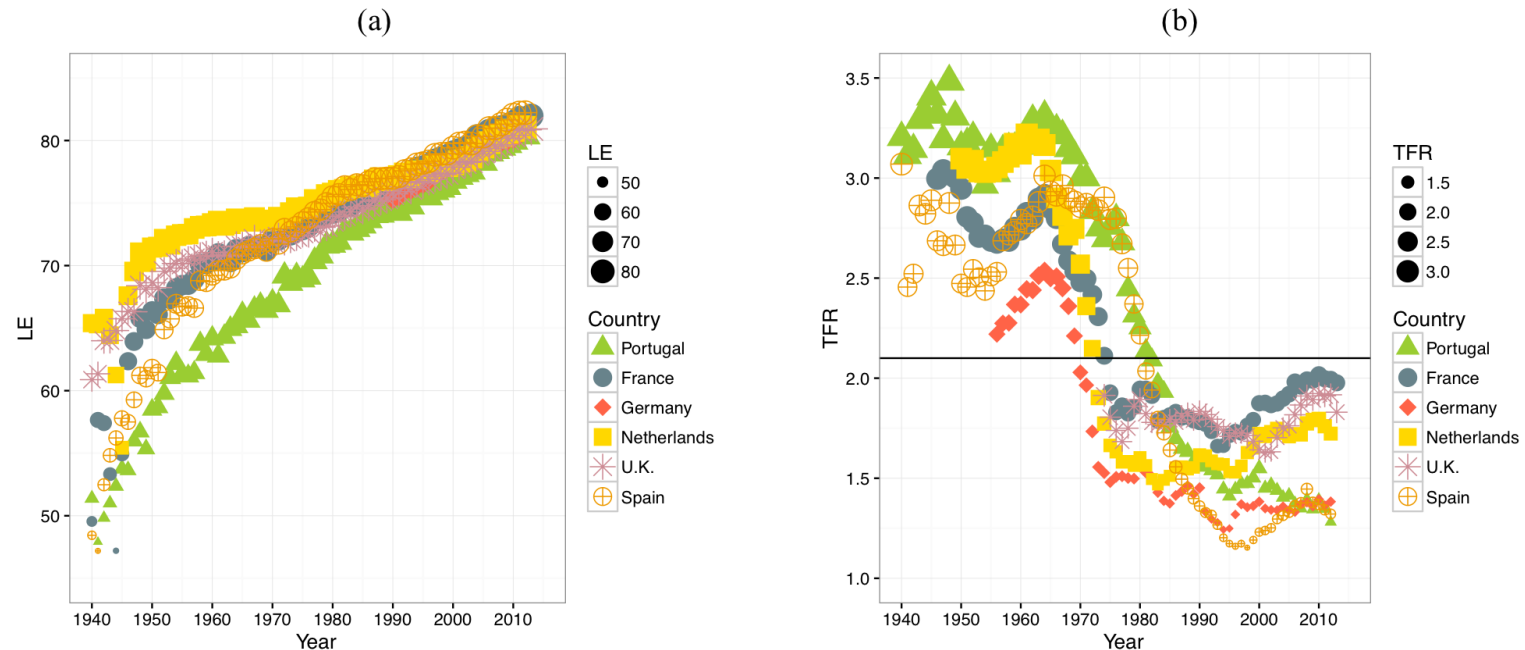


Source: Attitudes of Europeans Towards Tourism 2014 and EUROSTAT. Author's computation.

- Figure 4 not only presents the household size of tourists that choose Portugal as main destination (2013), but also the average size of households accordingly with the country of origin. Figure 4a, reveals that the most common household size of 2013 respondents is 2, corresponding to 69,2 % among Dutch, 64,3 % among Germans and 56,0 % among British tourists.
- Figure 4b, on the other hand, shows that the average household size by country of origin goes along with the obtained results for the 2013 sample.

SO3 - Relate the population structure and international tourism demand in Portugal.

Figure 5. Life Expectancy at Birth (a) and Total Fertility Rate (b) in Portugal, France, Germany, Netherlands, United Kingdom and Spain



Source: Human Fertility Database and Human Mortality Database. Author's computation.

- In Figure 5, we can realize that at the same time that **life expectancy at birth** (Figure 5a) as **increasing with time**, due to continuous declines in mortality levels at different ages, **the average number of children per woman** (Total Fertility Rate - TFR: Figure 5b) was following the opposite direction.

SO3 - Relate the population structure and international tourism demand in Portugal.

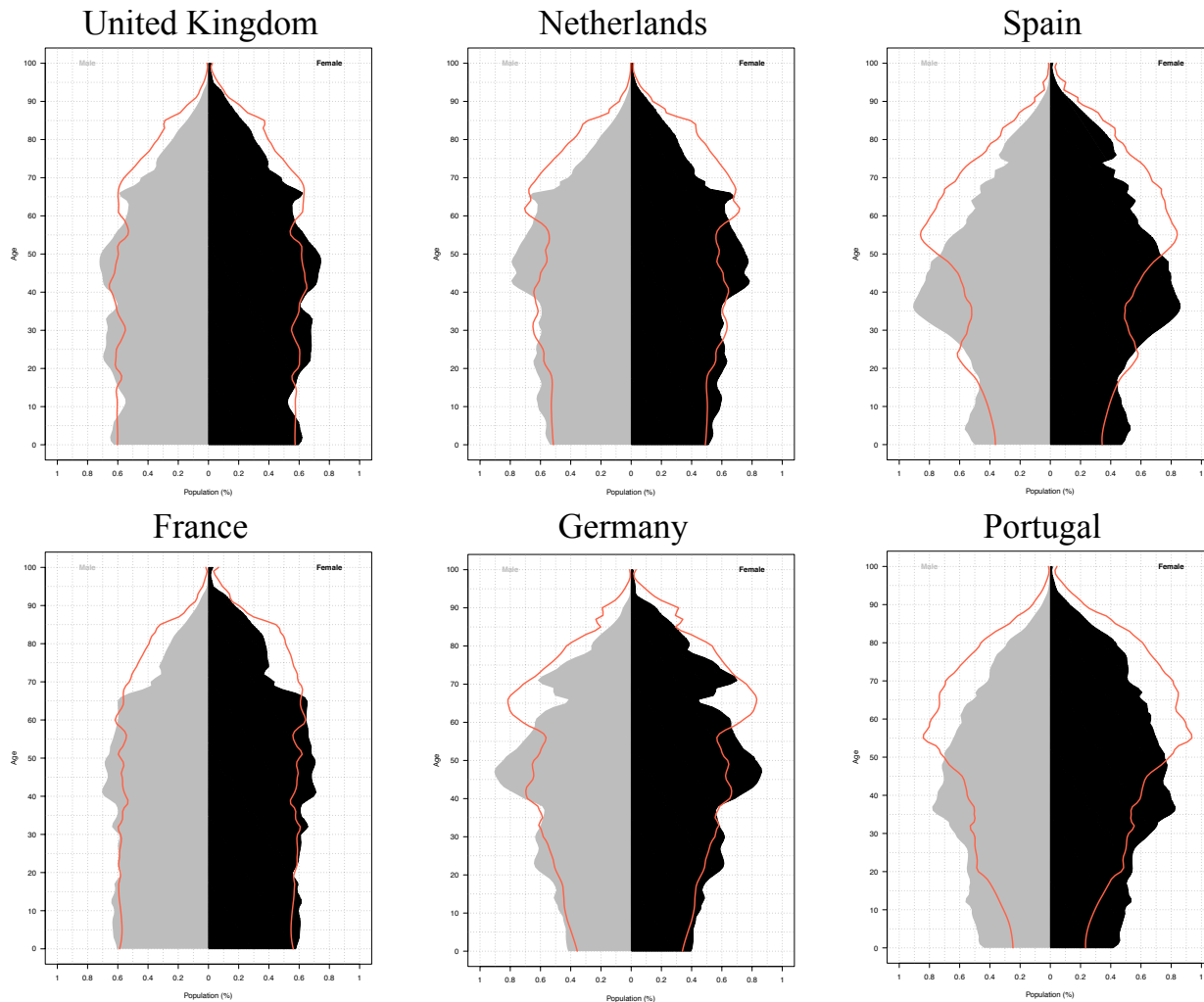
- All countries presented are under the minimum level necessary to replace generations (**2,1 children per woman**).
- Still, it can be also clearly distinguished two main groups of countries among the 6:
 - **Portugal, Spain and Germany.** Portugal, Spain and Germany were even recognized often in the literature as those that in the last decades, in Europe, with the lowest fertility levels (Tomé, 2015; Goldstein *et al.*, 2009).
 - **France, U.K. and Netherlands.**
- This has main implications on the sociodemographic structure of all countries under study without exception: *a)* **with less new-born the average household size tends to diminish**; and *b)* **with extending lifespan households will also become older and older across time**. Nevertheless, those that are nowadays considered elderly are achieving older ages with improving health.

SO4 – Suggest tourism demand scenarios supported by demographic projections.

- With the methodological framework we elaborated coherent population projections, by extrapolating past tendencies, for 2031, across all countries under study.
- Results are presented in the following Figure - **Population pyramids are constructed in percentage**, in order to allow cross-country comparisons, and as usual, **male are represented on the left (grey) and female on the right (black)**. On the correspondent sides, **the red lines represent the population projections for 2031**.
- **The starting year represented in black and white varies accordingly with country's data availability:** U.K. and France - 2013; Netherlands, Spain and Portugal - 2012; and Germany - 2011.

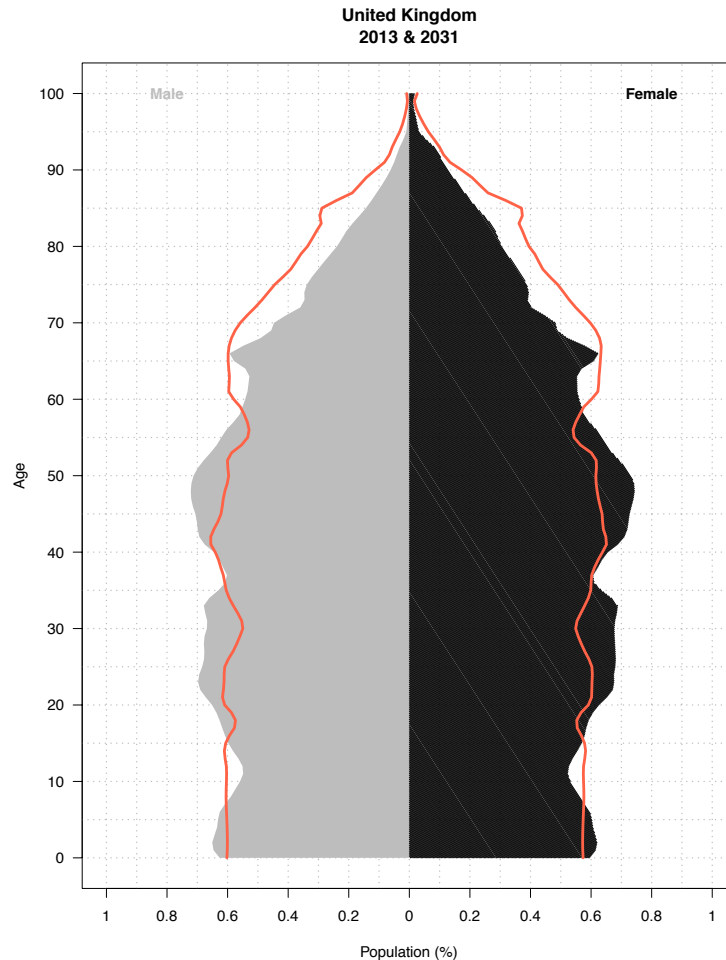
SO4 – Suggest tourism demand scenarios supported by demographic projections.

Figure 6. Coherent population forecasts for 2031.



Source: Human Fertility Database and Human Mortality Database. Author's computation.

SO4 – Suggest tourism demand scenarios supported by demographic projections.



- **United Kingdom (1st international tourist market to Portugal) Population Pyramid, reveals an increase in the age population.**

Conclusions

- **Demographic changes** that are resulting in extreme ageing in all developed countries **claim for an urgent need to re-adaptation of tourism supply in order to be able to keep the competitiveness of destinations.**
- Since the **household size are mainly composed by two individuals** and they live longer and healthier, spending longer time in retirement and with more free time to enjoy life, **it is expected that more older couples be seen traveling for leisure proposes.**
- Nevertheless, **younger tourists should not be forgotten** and in order to keep being attractive to this kind of demand, like Spanish or even Dutch tourists.
- The traditional mature international markets of Portugal, seems to evidencing socio-demographic patterns that challenged all the tourism national strategy for the next 20 years.

Conclusions

- **The demographic projections combined with the tendency of repeat-buying behaviour and the a long steady relation with Portugal revealed by mature and emerging markets with Portugal (Correia, Serra and Andres, 2016) seems to gain a paramount of importance considering trends in tourists motivations and preferences...**
- **as consequence of this highly involved with Portugal, it is suggested that tourists' information should meets the interest of more elderly markets, which in suggesting an update of marketing programs target to senior citizens, as suggested by Chen and Shoemaker (2014).**
- **Limitations** open new paths for further research. **Methodologically** this research is based on secondary data, regarding to answer to different purposes. For **future research**, our results suggest a possible inclusion of other variables to relate demographic trends with destination attributes, tourists' motivations and preferences, households' characteristics, among others.

Thank you for your attention!