

What trends offer opportunities or pose threats on the European outbound tourism market?

Last updated:

31 January 2024

Sustainability is the number 1 trend in tourism today. It is urgent and essential that we support the global commitment to achieve net zero by 2050. Transformational travel is directly linked with sustainable travel as a key trend, focusing on personal growth and self-discovery through authentic, immersive and sustainable experiences. Other key trends in tourism are the use of digital technology to increase efficiency and work more sustainably, and catering to Gen Y, Gen Z and the accessible tourism market.

Contents of this page

1. [Primary trend: tourism is transforming to become more sustainable](#)
2. [Post-pandemic travel trends](#)
3. [The new way to travel – transformational and experiential travel](#)
4. [Using digitalisation and AI to create growth](#)
5. [Gen Y and Gen Z shaping the future of travel](#)
6. [Understanding the evolving bleisure market](#)
7. [Embracing accessibility and the ageing market](#)
8. [Increasing demand for more robust safety and security measures](#)
9. [Cryptocurrency – a new way to pay?](#)

1. Primary trend: tourism is transforming to become more sustainable

The need for sustainability is transforming all industry sectors. As tourism is a major contributor to harmful carbon emissions, it is urgent and essential for the entire global tourism sector to become more sustainable. Taking action to achieve this is in line with the intentions of global travellers, who are increasingly keen to live and travel more sustainably: [74% believe that action is required now to save the planet for future generations](#). Becoming certified as a sustainable business is an important part of this transformation.

Sustainability in tourism

[Sustainable development in tourism](#) is defined by the United Nations World Tourism Organisation (UNWTO) as ‘tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities’.

Making the transition to sustainable business methods is no longer just a trend. Tackling the climate crisis and meeting our commitment to reduce carbon emissions have become urgent and essential goals. Tourism is a major contributor to global climate change, and [the sector is forecast to grow from 2024 and 2025](#). Meanwhile, there is a global commitment across all sectors to halve emissions by 2030 and reach net zero by 2050. To manage tourism growth responsibly, urgent steps are required.

There have already been important milestones, including the [Glasgow Declaration on Climate Action in Tourism](#), the [Carbon Offsetting and Reduction Scheme for International Aviation \(CORSIA\)](#) and the [Call to Action for Decarbonisation of Shipping](#), which is supported by the Cruise Lines International Association (CLIA). Many European tour operators, such as Intrepid and Better Places, are B Corp certified and have joined forces to take action in response to the climate emergency through the [B Corp Climate Collective](#).

Figure 1: There is no Planet B



Source: [Markus Spiske on Unsplash](#)

But destinations, businesses and travellers themselves must implement practical measures if the sector is to meet its commitments. Here are some of the practical steps being taken by destinations:

- France, Germany, Spain and Austria have either banned, or are considering banning, short-haul flights if more sustainable alternatives (such as trains) are available.
- Norway is pioneering the use of electric ferries. By 2026, only zero-emission vessels will be allowed to sail the fjords of western Norway.
- Overtourism is a significant problem in many places, such as Machu Picchu in Peru, Ankor Wat in Cambodia and the Galápagos Islands. Other examples include city destinations like Venice, Amsterdam and Dubrovnik. Visitor numbers to Machu Picchu and the Galápagos Islands are now strictly controlled.
- Many destinations have been taking steps to reduce cruise ship visits. Venice banned ships from the Grand Canal in 2021. Meanwhile, Barcelona is looking at ways to reduce the number of disembarking passengers, and Amsterdam, Santorini and Dubrovnik have all tightened restrictions on cruise companies.
- Other sustainable strategies to combat overtourism that are being widely adopted include encouraging out-of-season travel, promoting less-visited destinations, community-based tourism and ecotourism.
- In 2023, Thailand introduced a tourist fee of 300 baht (€8) for tourists arriving by air.
- In 2022, Bhutan went 1 step further, charging tourists a sustainable development fee of US\$200 a day to visit the mountain kingdom. However, in 2023 this fee was lowered to US\$100 a day to encourage longer stays.

Consumer demand for sustainable travel options

Sustainability continues to be at the forefront of travellers' minds. This is despite the economic uncertainties and high cost of living that are affecting livelihoods all over the world. But while the climate crisis is encouraging people to make more sustainable travel choices, there is also concern that not enough is being done. [Booking.com's 2023 Sustainable Travel Report](#) included the following findings:

- 80% feel that travelling more sustainably is important.
- 53% say that climate change is driving them to make more sustainable choices.
- 74% want travel businesses to offer more sustainable travel choices.
- 51% believe there are not enough sustainable travel options.
- 75% look for authentic experiences that are representative of local cultures.
- 40% do not know where to find tours and experiences that give back to local communities.

[Regenerative tourism](#) takes sustainability 1 step further, aiming to make things better than they were before. Booking.com found that 66% of travellers want to leave the places they visit better than they found them, while 69% want the money they spend when travelling to go to local communities. These findings prove there is a market of tourists who will choose sustainable travel options if they are

available.

What does this mean for SMEs?

For SMEs, maximising the benefits of responsible tourism and minimising harmful impacts are crucial to ensuring sustainable and regenerative products. The key to effective marketing is to be very clear about the sustainable actions being taken and the benefits to local people. This will also make tourism products easier to manage and enhance long-term sustainability.

There are many examples of successful sustainable and regenerative tourism programmes available today that can serve as best practice case studies. Have a look at these initiatives to see how your business measures up:

- [Mdumbi Backpackers](#): a sustainable hostel in South Africa.
- [Prainha do Canto Verde](#), Brazil: a community of artisan fishermen offering community-based tourism experiences.
- Ecotourism in [Arenas del Mar](#), Costa Rica.
- Long-term conservation at [Singita Kwitonda Lodge](#), Rwanda.
- Sustainable conservation, learning and hiking in the remote island destination of [St Helena](#).

Get certified as a sustainable tourism business

Under the [European Green Deal](#), it is mandatory for European tour operators and other tourism service providers to implement sustainable working practices. This is required to reduce carbon emissions to net zero by 2050. As a result, more and more European buyers are looking to work with businesses that have sustainability certification.

There are lots of certification schemes. Many of these schemes are based on the criteria of the Global Sustainable Tourism Council (GSTC), which are internationally recognised. [Travelife for Tour Operators](#) is a GSTC-recognised scheme that is particularly well known in Europe, while the [Good Travel Seal](#) provides a more affordable scheme for SMEs. [TourCert](#) offers schemes for both tour operators and accommodation providers.

It is important that you manage your business sustainably, even if you cannot afford to apply for certification yet. You must also monitor your actions and be able to prove your claims to your buyers. They will not accept greenwashing or false claims. That way, once you can afford to apply for certification, you will already be well on your way towards meeting the requirements.

Understand the benefits of certification

1. Increased sales. European buyers will be more likely to do business with you if you are certified. A study found that 66% of global consumers are prepared to pay more for products and services from companies that are committed to social and environmental responsibility.
2. Improved reputation. European buyers will be reassured that your sustainability claims are true. Official certification lends credibility to your sustainability efforts. It lets tourists know that you care about the environment and local communities, and that you are not greenwashing.
3. Reduced costs. Operating your business sustainably can lead to financial savings on energy, water use and waste.
4. Increased employee satisfaction. Employees are more likely to be engaged and productive when they know you and your team have a shared purpose and commitment, working together to make a meaningful contribution.

Looking ahead: transformation to a sustainable market

By 2030, it is anticipated that sustainable tourism will be the norm. There will also be other transformations:

- Sustainable travel options like electric vehicles and trains will become more affordable and readily

available.

- Most tourism experiences will be clearly marketed as sustainable, and there will be measurable benefits to local communities and places.
- Technology and biofuels will transform air travel and the cruise industry.
- Sustainability will be integrated throughout the hospitality industry, from accommodations to cafés and restaurants. Options like ecolodges and homestays will be highly sought after.
- Tourists themselves will have a positive impact on destinations through their choices. CBT and volunteering, enjoying authentic slow travel, staying locally and longer, and participating in meaningful interactions with local people and places will be popular options for eco-conscious tourists.

Tips:

Do some internet research to find out how tourism businesses in your area have integrated sustainability. That way, you can assess your own sustainability efforts and make improvements where required.

Investigate which sustainability certification schemes best suit your business. Read the CBI study [How to be a sustainable tourism business](#) to learn how to integrate sustainability into your business, and to learn more about sustainability certification schemes.

2. Post-pandemic travel trends

Sometimes referred to as ‘revenge travel’, travel post-Covid saw tourists keen to make up for lost time. They travelled more frequently, went on trips they had missed out on or travelled better. As the tourism sector continues its strong recovery, it looks well on track to fully recover by 2025. Many countries will recover in 2024, and some already managed to reach 2019 levels in 2023. But the face of travel is changing, as the industry moves away from mass tourism towards more immersive and sustainable experiences.

A number of broad travel trends have emerged since the end of the pandemic:

- Sustainable and regenerative travel. This involves mindful and responsible travel experiences that provide real benefits to people, places and the planet. The necessity of sustainable and regenerative travel, as discussed above, has become more urgent since the end of the pandemic. It is the top tourism trend today.
- Making local connections. Unique, authentic and immersive experiences are high on many tourists’ priority lists today. They want to make real connections with local people and communities and have genuine cultural experiences.
- Travelling to less-visited destinations and taking trips out of season. Increasingly, people are choosing to avoid large crowds and travelling in the shoulder or low seasons. This makes it easier to have a more meaningful experience, with more space, fewer people and less negative impact on people, places and the planet.
- Multi-destination and multi-activity trips. The choices of more discerning travellers are informed by their big travel plans and the desire to push personal boundaries and be more intrepid and adventurous. This group also likes to spend time in nature and visit remote destinations.
- Multi-generational trips. Travelling with family and friends to spend quality time together has emerged as an important trend. This trend also overlaps with multi-destination and multi-activity trips, particularly for families with young children and teenagers looking for a ‘family adventure’.
- Bleisure. Business travel is increasingly being combined with leisure elements. Since the end of the pandemic, these leisure elements have become much more dominant as people re-evaluate their work-life balance.

- **Value for money.** Given the current cost-of-living crisis and global economic uncertainty, tourists are looking for good value. There is some evidence that people are booking fewer experiences as revenge travel eases and people reassess their travel budgets. Globally, there are signs that people are seeking travel destinations closer to home and going on shorter trips.

These broad trends offer good opportunities for SMEs targeting sustainability-minded European tourists who want to enjoy a different kind of tourism experience. Deeper analysis will provide an opportunity to identify key issues and factors that are shaping the way tourism is evolving today.

3. The new way to travel - transformational and experiential travel

Transformational travel is a key trend which has seen strong growth since the end of the pandemic, which caused people to re-evaluate their lives and priorities. Transformational travel focuses on personal growth, self-discovery and transformation. It is about having an experience that is personally fulfilling in many different ways, and it encompasses all sorts of things: meaningful travel, regenerative travel, volunteering, cultural exchanges, learning a new skill, doing work placements and so on.

Transformational travel also encompasses experiential travel: immersing oneself in a place and having an authentic experience, rather than just visiting a place and 'looking in'. Sustainability also plays a key role, and transformational travellers want to make strong and positive connections with local people and places.

As one of the fastest growing niche markets, transformational travel is driven by a growing demand for unique, authentic experiences that are also transformative. More and more travellers are looking to escape mass tourism due to its commercialism, exploitation of local resources and communities, and lack of personalisation. Increased interest in sustainability and responsible tourism has also contributed to growth.

Trending developments in transformational tourism

Transformational travel overlaps with all the broad travel trends identified above. Interesting developments continue to emerge in this market. Below is an overview of a number of niche market trends linked to transformational and experiential travel that will shape the future of tourism demand.

Indigenous-led community-based tourism

Indigenous groups all over the world are leading the way in promoting tourism in the areas where they live. As part of the community-based tourism (CBT) niche, indigenous tourism is in high demand amongst travellers who want to learn about indigenous ways of life and help communities that have faced severe hardships for many generations. There are some good examples of indigenous groups that have created employment opportunities and become economically self-sufficient through tourism.

The [Tomarapi Ecotourist Lodge](#) in Oruro, Bolivia, is a community enterprise managed by local Aymara families. Besides accommodation, it also offers guided hiking tours. [Ol Lentille](#), in Kenya, is a good example of sustainable tourism, community partnership and world-class architecture. The partnership has created and protected more than 40,000 acres of wilderness.

Wellness is the new luxury

Getting away from it all, 'recharging your batteries' and focusing on physical and mental health are key elements of wellness tourism. The wellness tourism sector has rebounded strongly after the pandemic, as it appeals to people looking to re-evaluate their priorities and focus on personal wellbeing. Wellness tourism is a very broad category. It encompasses traditional wellness activities like yoga, spa treatments and wellness resort visits, but today's wellness tourists also enjoy CBT, nature tourism and ecotourism, cycling, swimming and walking.

At the same time, there is a high demand for luxury. Luxury tourism is a growing niche that overlaps with wellness and transformational travel. Luxury travel is no longer just about 5-star hotels and wellness resorts. Today, it is also about adventure and high-quality immersive experiences. Across all consumer groups, tourists are increasingly prepared to pay for one-off luxury experiences that match their need for personal fulfilment and contribute to their own personal wellness.

Providing exceptional, personalised, immersive and authentic experiences with very high service standards will meet the needs of both wellness and luxury tourists. To find out more about these 2 important markets, read the CBI studies [What are the opportunities on the European wellness tourism market?](#) and [The European market potential for luxury tourism](#).

Silence is golden - getting back to nature

Alongside the desire to spend more time outdoors, there is a growing demand for nature-based retreats with access to panoramic wilderness, as people look for peace and quiet, wanting to get away from the masses. There are all sorts of opportunities that can be tapped into. More and more tourists want to stay in remote rural huts and cabins, go completely off-grid or go on rural retreats. National parks around the world are seeing increasing visitor numbers. According to a Booking.com survey, 40% of respondents would consider a silent retreat in 2023.

[Quiet Parks International](#) is a network of parks that was established in 2019, inspired by the idea that natural quiet needs to be protected. The non-profit organisation promotes listening to, learning from and love of nature, and its mission is to preserve silence for the benefit of all life. Quiet Parks offers all sorts of [Quiet Experiences](#), such as forest bathing, nature walks, quiet hotel stays, quiet travel, quiet retreats, sound walks and nature sounds. The organisation encourages members to develop quiet experiences that are suitable to their park.

The [Zabalo River Wilderness Quiet Park](#) was the first park to be awarded Quiet Park status. It also offers tours led by local indigenous groups. In 2023, the [Namibrand Nature Reserve](#) in Namibia became a newly designated Quiet Park.

Flight-free travel and the electric revolution

More and more people feel the need to take action to reduce their personal carbon footprint. As a result, many Europeans are looking for more carbon-friendly ways to travel. Trains, buses and ferries emit far less CO2 than planes, so destinations that can be reached by train are becoming more popular. Travelling by train instead of flying can reduce your personal carbon footprint by up to 90%. Another great benefit of overland travel is that travelling to the destination becomes part of the adventure, which fits well with the transformational travel trend.

Many tour operators, such as [Original Travel](#), are including train trips in their itineraries. [Byway](#) specialises in flight-free travel using trains, bikes, buses and ferries. Meanwhile, new train routes are being developed. The [Tren Maya project on the Yucatán peninsula](#) links coastal destinations with ancient Mayan sites. The first phase between the sites at Palenque, through Mérida and on to Cancún is due to open at the end of 2023. Some of the carriages will be fitted with large panoramic windows.

It is important to be aware of the negative impacts of major infrastructure developments like this, particularly on the environment and local communities. The article [A New Tourist Train in Mexico Will Destroy Indigenous Land and Livelihoods](#) is an interesting read and highlights important issues.

In 2024, a luxury Belmond train rail experience will be relaunched in Malaysia: the [Eastern & Oriental Express](#). There will be 2 seasonal routes from Singapore, and the experience will involve a range of immersive cultural activities.

Figure 2: Travelling by train becomes part of the adventure



Source: [Jack Anstey on Unsplash](#)

Electric road trips are also a new trend. More and more electric vehicles (EVs) with a battery range of 450 miles are coming to market, and prices are becoming more competitive. The EV car rental market is expected to grow rapidly over the next few years, to [US\\$11.2 billion by 2027](#). While the EV rental trend is strongest in Europe, North America and China, other regions are also entering the market, including Africa. In South Africa, 150 new EV charging stations will be installed by the end of 2023.

There are a lot of innovations taking place across the EV market. Tesla's electric [Cybertruck](#) is able to tow a caravan and has a 500-mile range. It features solar panels on the roof to enable recharging in the wilderness, and the back offers a fold-out kitchen and space to sleep. The [VW iD. Buzz campervan](#) also makes longer road trips in an EV a sustainable option in the self-drive market.

Looking ahead

Transformational travel is set to stay, and its impact on tourism will be significant. But to actually be transformational, the benefits must be real and measurable. This is why sustainability certification will become more common. Although mass tourism – defined as many thousands of people going to the same place, often at the same time of the year – will continue, sustainability will play a key part in its delivery. Industry experts expect that local communities and stakeholders will have more control over decisions that affect them, especially in relation to tourism. Ultimately, this will make it easier to create transformational experiences.

Tips:

Assess the immersive, authentic and transformative qualities of the trips you offer. Make sure that you use storytelling in your descriptions to inspire your guests. Storytelling is a powerful way to convey emotion and showcase unique experiences, culture and history. Use all forms of content – text, images and videos – to achieve the best effect. For more information about this, read this blog by Trekksort: [Unlocking the power of brand storytelling in the tourism industry](#).

Include your sustainability credentials in all your marketing. This is becoming more essential every year. European buyers will not do business with you unless you can prove that your company is sustainable.

4. Using digitalisation and AI to create growth

Digitalisation is a major ongoing trend that is transforming how companies do business all over the world. This is also true of the tourism industry. Digitalisation offers multiple benefits to tourism businesses. It can harness creativity and innovation, increase efficiency, enhance visitor satisfaction, provide insights and boost sustainability. Digitalisation and artificial intelligence (AI) are affecting tourism in all kinds of ways, from the digitalisation of daily processes to the use of big data and blockchain technology, website and social media management, mobile connectivity, online sales and content creation.

How AI is transforming tourism

AI has been embraced by the tourism industry and is changing the way businesses of all sizes operate. Large travel websites like Tripadvisor use AI to personalise users' search results. Revenue management systems and marketing tools use it to provide streamlined processes and achieve effective results.

Hotels are big users of AI, taking advantage of it to personalise their guests' experiences, operate chatbots and manage dynamic pricing. Some chains, including Marriott, Hilton and InterContinental Hotels Group (IHG), are using AI systems to optimise their energy usage, reduce costs and minimise their environmental impact. The Spanish chain Iberostar is implementing AI-powered technology to help reduce food waste by 50% in 2023, and to eliminate waste entirely by 2025.

Chatbots are 1 of the simplest and most cost-effective forms of AI. They can quickly answer a range of queries and are widely used in the travel industry. According to Statista, 25% of travel and hospitality companies used [chatbots to make enquiries or complete bookings](#) in 2020; a further 46% are planning on using them. Consumer demand for chatbots is also high. Research found that 87% of [customers would use a travel chatbot](#) if it saved them time and money.

Generative AI, or GenAI, is capable of generating text, images, videos and even music using generative models. [ChatGPT](#) is the best known and biggest innovation in this area, growing from zero to 100 million users in just 3 months, faster than any other form of AI technology. There are several AI tools on the market, including [Google's Bard](#), [Claude AI](#) and [Microsoft's Bing AI Chat](#). These can be useful business tools for creating short-form content based on original input. For instance, as a tour operator, you could ask it to suggest a catchy name for your tour or to create a summary of your tour based on the information you provide.

Other GenAI tools, like [Canva](#), can generate images and professional designs. Tools like [Synthesia](#) use GenAI to create high-quality videos based on text prompts. There are also GenAI tools that can create music inspired by just a few bars, a melody or text. [Google's MusicLM](#), which was released in 2023, is an example of this.

Travellers themselves can also use GenAI to find holiday inspiration. Research has found that [a third of travellers would use ChatGPT](#) to plan their holiday. There are even blogs and videos that show consumers how to use AI technology to plan their next trip.

Figure 3: Using generative AI for holiday inspiration



Source: Google Bard

Providing a seamless customer journey for maximum satisfaction

Digital processes help to provide customers with a seamless journey from booking to delivery, a key trend today. If you understand your customer journey, from the moment they become aware of your product to when they make a booking, you can improve customer satisfaction. Providing a pleasant journey can help you generate positive customer reviews and retain your customers.

Getting found online is a key goal for tour operators. An important way to get found is through Google Things to do, which is constantly being updated and improved. To increase your success, you should list your business on Google Things to do. Watch this helpful [YouTube video](#) that explains how to use this feature, or read Google's [Introducing Things to do on Google](#).

Customers increasingly prefer to book and pay online. Online bookings continue to increase and are becoming the new normal. Often, the ability to book online is a deciding factor for consumers. Use of mobile devices for all stages of research and booking is also increasing – [2 in 5 online bookings are now made on mobile devices](#) (report available at a cost).

Booking online allows consumers to instantly find what they need. Online travel agents (OTAs) have become [the fastest growing sales channel for tours and experiences](#) and are estimated to grow by more than 150% by 2025 compared to pre-pandemic levels. They provide a huge source of tourism products that are easy to access and

book. Often, trips can be booked right up to the last minute, which suits younger consumers who like to make spontaneous decisions. Platforms like [GetYourGuide](#), [Viator](#) and [Withlocals](#) are examples of OTAs that specialise in trips, tours and experiences.

Looking ahead

AI and other technological developments are here to stay, and business processes will evolve accordingly. These are some of the ways in which the tourism industry may evolve over the next few years to become more efficient and sustainable:

- Customers will expect personalised experiences based on their preferences and interests. These will be a 'must-have', rather than merely a 'nice-to-have'. By analysing customer data, AI will become better and better at customising packages and trips. This provides opportunities for tour operators to become better at developing and targeting products.
- Technological developments will improve the functionality of chatbots so they can deal with more complex issues. For instance, they will be able to book a flight or handle bookings for groups of people with different needs.
- Consumers will expect their holidays and trips to be seamless, from start to finish. They will also expect to be able to book and pay for their trips and experiences immediately. Online bookings will continue to grow and become the dominant booking method.

Tips:

Do not ignore digitalisation. If you do not embrace digital technology or explore what AI can do for you, it will be difficult for you to grow in a competitive market.

Explore some of the GenAI tools and find out how you could use them to add value to your business. Some are free to use, others charge a fee.

Make sure you have a strong online presence. Manage your social media channels well and make sure they drive customers to your website. If you do not have a website, you should build one. There are online website builders like [GoDaddy](#) and [Wix](#) that are easy to use and affordable. Read the CBI report [How to be a successful tourism company online?](#) for tips.

Add a chatbot to your website. It is easy to do this using this [step-by-step guide](#), and you can ask your website developer to help you. Most online website builders offer this functionality.

Offer online booking and payment through your website and/or social media page. If you list your tours with OTAs, their platforms will manage this process for you. You should be well prepared to work with OTAs. The CBI report [How to work effectively with OTAs?](#) offers more information about this.

5. Gen Y and Gen Z shaping the future of travel

Major changes in the tourism industry are being driven by the Gen Y and Gen Z consumer groups. Future travel will be shaped by characteristics, motivations and needs that are specific to this large group of young travellers. Gen Y were born between 1981 and 1995 (aged between 28 and 42 in 2023) and Gen Z were born between 1996 and 2012 (aged between 11 and 27 in 2023).

These 2 groups are at different stages in their lives. Gen Y (also known as millennials) are becoming more settled in their careers, and many have young families. Gen Z are still in school or starting their careers and have more limited travel budgets. But both groups prioritise travel over things. According to [American Express Travel's 2023 Global Travel Trends Report](#), 79% see holidays as an important budget priority and 84% would rather take a dream holiday than buy an expensive luxury item. Even though they may have less disposable

income than the older consumer groups (Gen X and Baby Boomers), they travel more frequently. This is a clear indication of the importance of travel to these younger generations.

Source: Morning Consult

Gen Y and Gen Z have grown up in a technology-driven world and they are very tech savvy. Gen Z have not known life without smartphones and tablets. Social media, particularly Instagram, TikTok, YouTube and Facebook, are key platforms they use for many reasons. Gen Y are more likely to follow small businesses and big brands, while Gen Z are heavy social media users, consuming and spreading content.

Table 1: Gen Y and Gen Z – expectations from social media platforms

Gen Y	Gen Z
<ul style="list-style-type: none">• Use social media to stay connected with personal and professional connections.• Use social media to relax and watch entertaining content.• Find and buy products on social media platforms. Gen Y is the most likely generation to buy a product after seeing an ad or video, or a social media review.	<ul style="list-style-type: none">• Favour video-centred platforms like Instagram, YouTube and TikTok.• Expect content to be culturally relevant and to entertain, educate and inspire them.• Follow trends and often share, participate in and consume viral content shared on social media.

Short videos that showcase exciting experiences are a great way to reach Gen Y and Gen Z. They are increasingly using TikTok, Instagram Reels and YouTube Shorts to discover and book experiences in-destination. Have a look at these examples of [operators making good use of TikTok and Instagram Reels](#).

As travellers, Gen Y and Gen Z are interested in authentic, immersive experiences. They want to have adventures and like to visit new places. In general, they are very interested in sustainability and the health of the planet is of grave concern to them. Because of this, they are very keen to minimise their impact on the environment and want to make positive contributions to destinations and communities.

Other interesting characteristics of the Gen Y and Gen Z travel markets include:

- 79% would like to experience a day in the life of a local in the destination they are visiting.
- 61% of Gen Y and Gen Z will want to visit a destination if it looks great in photos and videos.
- 73% would like to travel to improve their mental, physical and emotional health in 2023.
- 81% say that trying local food and cuisines is what they look forward to most, and 61% get most of their dining inspiration from social media.
- 86% want to shop at small, independent shops when they visit a new destination.

Looking ahead

Gen Y and Gen Z are set to influence the travel industry in a major way as they age, as they will become the most important and valuable travel groups. These travellers will expect immersive, transformational and sustainable experiences. Understanding how they use technology at every stage of their journey and how they engage with brands is key to reaching this market successfully.

As digital natives, emerging technologies will continue to influence how they engage with travel, and they will

embrace new developments and concepts enthusiastically. Local tour operators will need to keep up with the fast-paced trends that will emerge amongst these groups over the next years.

Insight: Importance of sustainability in tourism to younger consumer groups



Anna Dacam, Environment Programme Manager, [Sustainable Hospitality Alliance](#)

Over the last few years, the Sustainable Hospitality Alliance has noticed that a growing number of our members are responding to consumer demand for sustainable tourism options. 4 out of 5 travellers now say that travelling more sustainably is important to them. The pandemic was a turning point for many people, with national lockdowns encouraging people to reflect on what really mattered to them. Young people in particular are at the forefront of a growing consumer market which is actively searching for sustainable offerings, and prioritising wellbeing and positive impact over consumption. 45% of Gen Z report that they have changed their consumer habits away from certain brands because of sustainability or ethical concerns.

This boom in demand is a real opportunity for tourism companies to embrace a sustainable and forward-thinking approach, and to future-proof their business while actively protecting the environment and contributing to the prosperity of local communities.

Tips:

Manage your social media channels appropriately for Gen Y and Gen Z. Instagram, TikTok and YouTube are the prime channels for these groups. Facebook is another channel used by Gen Y. Invest in content creation that is suitable for these markets, particularly videos.

Invest in an influencer marketing campaign to attract both markets. Gen Y and Gen Z trust 'word of mouth' marketing more than traditional marketing techniques. To find out more, read the CBI study [How to work with influencers](#).

To find out more about the Gen Y market, read the CBI study [What are the opportunities in the European market for millennial tourism?](#)

6. Understanding the evolving bleisure market

International business travel was badly hit during the pandemic. It was quickly apparent that face-to-face meetings could be held virtually through Teams or Zoom, and there was less demand for international travel. In addition, many people have continued to work from home across many European countries – either full-time or part-time (also known as hybrid working). This has led to a shift in attitudes towards work and business travel. Many workers realised that this new way of working gave them opportunities to change their work-life balance and improve their mental and physical wellbeing.

Although business travel is recovering well and work-related trips are back on the agenda, business tourists are now extending their stays to combine business and leisure. This form of travel is sometimes referred to as 'bleisure'. There has also been a notable shift towards leisure as the primary motive for travel, with business as a secondary motive. This reverses the template of a business trip with a couple of leisure days added at the

end. Also known as 'lisness', this style of business travel is somewhat similar to digital nomad travel.

Longer lisness trips typically involve month-long holidays with a 75% leisure, 25% business split. This gives lisness travellers more time to relax and allows them to seamlessly integrate business and normal life.

Looking ahead

There are many opportunities for business tourism providers to meet the needs of this market as it continues to evolve. If you serve the business market, your services and experiences must accommodate the changing face of bleisure. Top-quality technological amenities – notably fast broadband and free Wi-Fi for remote working and hosting/attending Zoom or Teams meetings – are a key requirement. Suitable, inspiring places to work, and flexible time zones along with access to a wide range of leisure experiences are also important.

Tip:

Download the CBI study [What are the opportunities for MICE tourism from Europe?](#) for more information about reaching the European business market.

7. Embracing accessibility and the ageing market

The accessible tourism market is very large and comprises people with disabilities, elderly people and other groups with accessibility needs. The European market is substantial, as the continent has an ageing population. In 2022, [more than a fifth of the EU population \(20.8%\) was 65+](#), and by 2040 155 million EU citizens are expected to be over 65.

In Europe, disabled people are legally protected and have the right to access air, train, bus, coach and boat travel. They also have the right to be treated with respect, the right to independence and the right not to be discriminated against. In short, they have the same rights as people without disabilities.

As many barriers to travel have been removed for Europeans with disabilities, they can now pursue their desire for exciting travel experiences in the same way as people without disabilities. In 2018 and 2019, more than [27 million tourists with disabilities took 81 million trips](#), spending US\$58.7 billion on travel alone. In reality, this figure is likely to be much higher as people with disabilities often travel with 1 or more other people.

Many people are keen to travel more after retiring. European tourists aged 65+ accounted for almost 1 in 4 overnight stays (23%) in 2019, which is not significantly different from other age groups. However, as 65+ tourists are cash rich and time rich, they often take longer trips. They can also extend the peak tourist season, as they are more likely to travel during shoulder and/or low seasons.

One of the key requirements for this group is to really listen to what they need and be honest about what you can and cannot provide. It is essential not to overpromise just to make a sale. This will harm your reputation and may cause distress to your client. It is a good idea to appoint a dedicated staff member to look after your clients with disabilities – someone who is a good listener, proactive and able to get things done.

Figure 5: Distribution of Europeans' overnight tourism trips by age group, 2019



Source: Eurostat

Many ageing people are baby boomers (born between 1946 and 1964, aged 59 and 77 today). Baby boomers are a highly discerning group of tourists who are extremely keen to travel, despite any extra needs they may have. They are still the wealthiest group of travellers globally, and they are prepared to pay for extraordinary experiences. In line with the transformational travel trend, they seek active, authentic and luxury travel experiences.

This is a significant market of tourists who have time and money to travel. However, as they age, older tourists may have mobility problems or other health issues. They are very aware of their needs and, much like people with disabilities, will want to know that these needs will be met.

Looking ahead

The accessible tourism market is forecast to grow on account of Europe's ageing population. In addition, it is a market that is becoming more demanding in terms of its right to travel and have access to the same experiences as everyone else. As more and more Europeans with disabilities and/or advanced age-related needs demand interesting and immersive travel experiences, local tour operators can take advantage of this evolving trend by working towards supplying them.

Competition is still quite limited in this market, with only a few specialist tour operators. As a result, there are good opportunities for local tour operators to provide quality experiences with high standards of care. Personalisation is very important in this sector – all clients must be treated as individuals and with respect.

Tips:

Assess your current trips and experiences and see what you can change to make them more accessible. There is a range of low-cost, practical solutions that you can put in place to make your tours accessible. To find out more, read the CBI study [What are the opportunities in the European market for accessible tourism?](#).

Appoint a dedicated accessibility officer. This will impress your buyers, who will see that you take their needs seriously.

To find out more about targeting this market, read the CBI study [What are the opportunities on the European baby boomer tourism market?](#)

8. Increasing demand for more robust safety and security measures

Personal security, perception of the safety of a destination, and health and hygiene concerns are all factors that influence tourists' holiday decisions. The pandemic, the war in Ukraine and other political tensions around the world have all contributed to a heightened sense of concern amongst travellers in recent years. While excited to travel, tourists are now more careful about choosing a destination, as they want to make sure that they will be safe.

Contactless systems have helped to transform the tourism industry. They are convenient, hygienic and improve security. Contactless payment reduces the need to handle cash or touch payment machines, which reduces the chance of passing on diseases. Mobile check-ins and check-outs at hotels and smart key cards speed up processes for guests and address any health concerns they might have. Facial recognition technology at airports has improved security, while QR code menus are becoming more commonplace in restaurants. The convenience of contactless systems has become a 'must-have' for many consumer groups, especially Gen Y and Gen Z. Older consumers also enjoy this convenience.

Tour operators can play an important role in reassuring guests by being open and transparent about local risks. The [Travel Risk Map](#) is a handy tool if you want to find out where your destination sits in terms of medical and security risks. Consider adding a page to your website that informs visitors of your safety measures. Be sure to include all the measures you take to reduce the likelihood of contracting Covid-19 or other viruses, like having hand sanitiser and masks readily available.

Looking ahead

In these uncertain times, robust safety and security measures are now normal, and this will continue to be the case well into the future. Contactless solutions will continue to evolve and become more efficient, convenient and safe.

Tips:

Understand all your local risk factors, including safety, security and medical risks. If you do not have a risk management policy, you should create one. The CBI study [How to manage risks in tourism?](#) can help you with this.

Make sure you have a page on your website that clearly states your safety and security measures. Be very clear about what you do to keep people safe. You will gain their trust this way.

Advise your guests to get their own travel insurance, even if you have your own policy. This will not protect you, but tourists are more likely to make a claim using their own insurance. If you do not have business liability insurance, you must get it. For more information, read the CBI study [What are the requirements for tourism services in the European market?](#)

9. Cryptocurrency - a new way to pay?

Cryptocurrency is any form of digital currency that does not rely on banks to verify transactions. The digital system enables anyone anywhere to send and receive payments, using a blockchain to record all transactions. Units of cryptocurrency are created through 'mining', whereby sophisticated computers solve complicated mathematical problems to generate coins. There are thousands of cryptocurrencies; bitcoin is the most well-known. It is believed that around [68% of American millionaires own some cryptocurrency](#). Further research suggests that by the end of 2023, about 3.6 million people will be spending cryptocurrency outside of investing and trading.

The tourism industry is beginning to accept cryptocurrency as a form of payment. This is especially the case for luxury providers, such as [Pelorus](#), which sells bespoke travel and yachting experiences, and [Arburton](#), a luxury concierge travel company. Some [airlines also accept cryptocurrency](#), including Air Canada, Air China and Etihad.

Some destinations are now marketing themselves as crypto-friendly, like Buenos Aires, where tourists can use cryptocurrency to pay for accommodation and fine dining, and Tokyo, where cryptocurrency is accepted at hundreds of leading visitor attractions.

Looking ahead

Cryptocurrency is likely to remain a niche form of payment for some time to come, and it will mainly be used by the very wealthy, tech savvy users and luxury tour operators. Its volatility is one of the factors that will determine its use in everyday life in the future. But it is useful to be aware of these trends, no matter how small, as technology keeps changing.

[Acorn Tourism Consulting Limited](#) carried out this study on behalf of CBI.

Please review our [market information disclaimer](#).