

Tourism 2020 Vision

Volume 4

REPORT

World Tourism Organization

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The final versions of the reports have been edited by the WTO Market Intelligence and Promotion Section. Draft versions of the reports were presented at various regional meetings. Comments received have been included in the present text wherever possible. The WTO Secretariat wishes to express its gratitude to all involved for the cooperation received in the preparation of this report.

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Introduction

The *Tourism 2020 Vision* programme of research and forecasting represents a continuation of WTO's work in the area of tourism forecasts initiated in 1990 with the general objective:

- to identify the key trends in tourism supply and demand world-wide, by region; and
- to determine their impact on the various sectors of the tourism trade; together with
- the implications for policy making and relevant strategies.

The first two phases produced a series of forecasting reports for the six WTO regions and a global volume (*Global Tourism Forecasts to the Year 2000 and Beyond*). These studies constituted part of the WTO's commitment to assist Members in developing the sophisticated tourism forecasting capabilities which are essential to support Governments and National Tourism Administrations (NTAs) role in tourism marketing and promotion, development planning and provision of infrastructure and services. WTO has continued its assistance in this area through inter alia a series of technical seminars and its regular *Tourism Market Trends* publications.

The response from Members to the first series of forecasting reports was strongly positive with a request for more detailed information such as: region-region (even country-country) flows, profiles of major outbound travel markets (both established tourism sources, and emergent origins), assessment of prospects for groupings of countries smaller than, or which constitute 'natural' groupings not in line with, the six WTO regions. Concise 'fact files' of a number of market segments (such as those that are already substantive, and those which have rapid-growth prospects) should also be included.

Phase 3 - *Tourism 2020 Vision* - was designed to take account of these expressed needs. An extensive programme of research and analysis was undertaken over a two-year period. The research included a new survey of NTA members of WTO with responses received from 85 countries. A follow-up response was also sought from 15 Asian countries in January and September 1998 as a consequence of the financial problems in the region. A survey was also carried out among 50 tourism 'visionaries' (i.e. tourism and travel companies, and their suppliers, researchers/writers/ publishers/academics specialising in tourism, economic and political specialists).

The results of the Phase 3 programme of work are presented in the following series of reports:

1 Executive Summary

A document entitled 'Executive Summary' was distributed at the General Assembly in Istanbul in October 1997 which contained: global tourism prospects and determinants; regional forecasts; the results of the NTA survey; and the 'Megatrends' which will need to be exploited (or taken into account) for success in the period to 2020. An updated version of the Executive Summary, distributed at the Ministerial Conference on Oceans and New Tourism Destinations in Lisbon in June 1998, was expanded to include key developmental and marketing factors; while a second revision was published in December 1999 taking the September 1998 Asian NTA survey results into account.

2 Global and Regional Forecasts

The detailed report on which the Executive Summary and its subsequent revisions are based.

3 Market Segments

This report contains a series of 'fact files' containing analysis of major and rapidly growing market segments/niches, presenting information on a comparable, action-oriented format for each subject segment on:

- Working definitions;
- Estimates of magnitude;
- Characteristics of demand and supply;
- Growth prospects; and
- Promotional guidelines for NTAs.

4 Six Regional Volumes

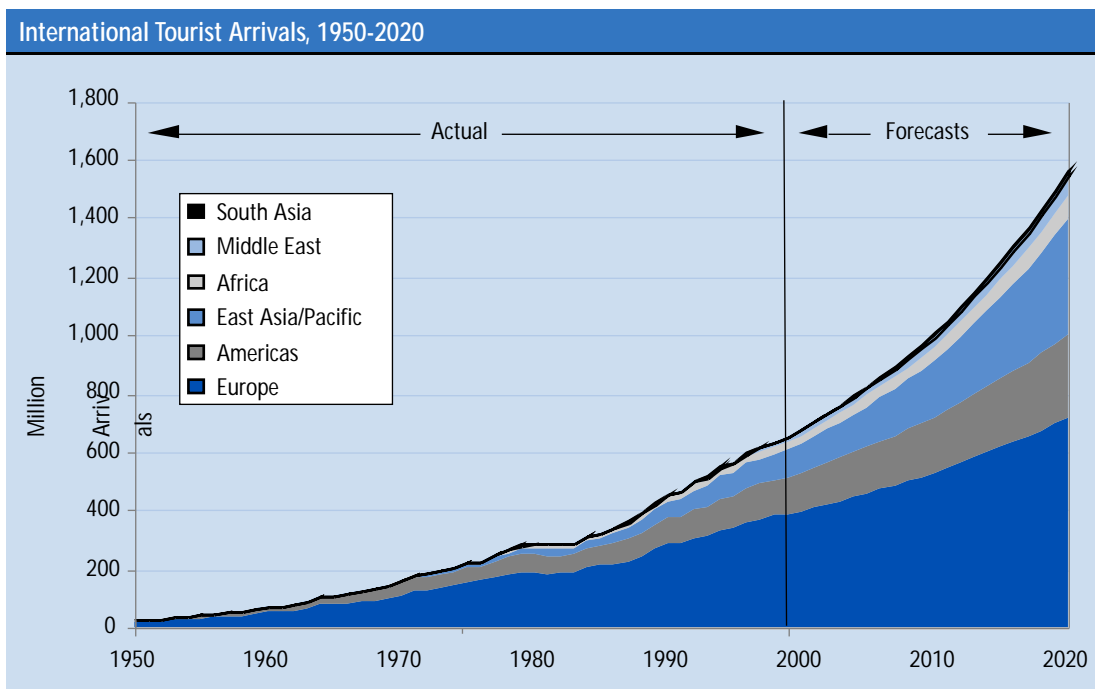
Examination of changes, performance and trends in the first half of the 1990s will preface detailed forecasts for each region, and special groupings of countries within these regions. Inbound and outbound tourism forecasts are presented, as well as principal origin-destination forecasts on a subregional and (in selected major cases) a country-country basis.

The present report constitutes *Tourism 2020 Vision*: Volume 4 Europe. It is structured in three parts (the first examining the development of tourism in Europe in the first half of the 1990s, the second dealing with the determinants governing the forecasts for the period to 2020, and the third presenting the forecasts themselves broken down by subregion).

There is also a summary of the main findings and conclusions, and this introduction. In addition, there are two appendices containing administrative, reference and technical information.

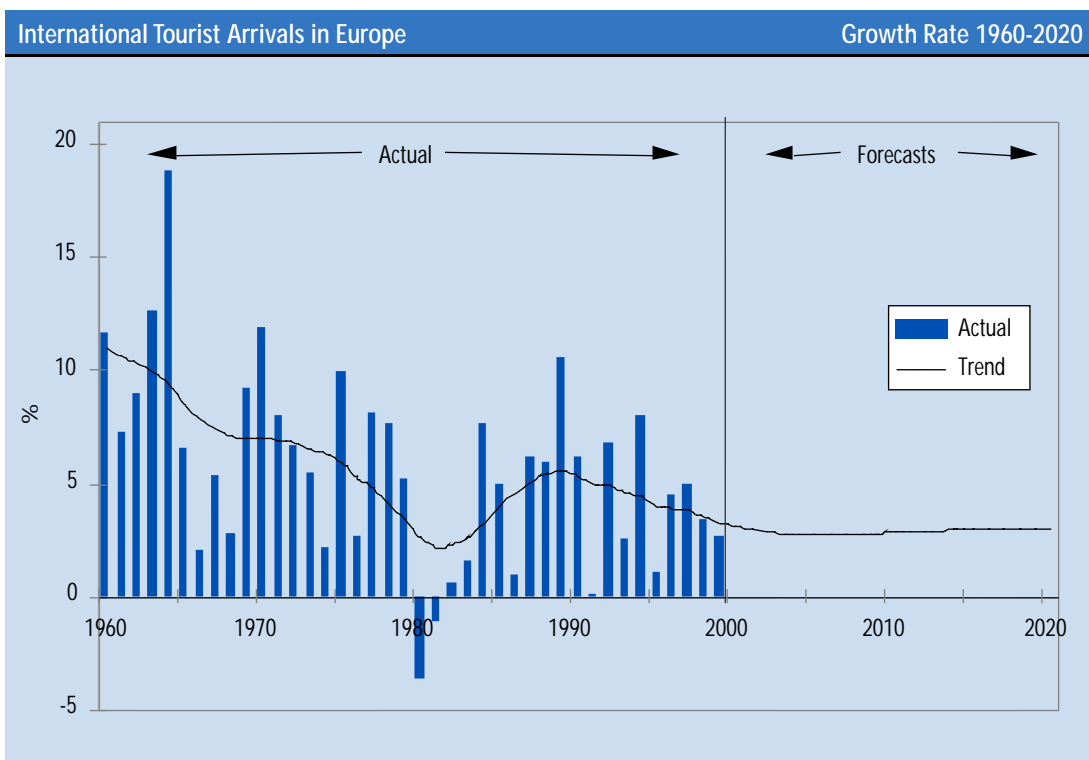
Executive Summary

- Europe has been a long standing world leader in terms of tourist arrivals, but due to the growing amount of new destinations on offer in other regions, its world share has fallen by five percentage points over the period 1980 to 1998. Despite the average annual growth rate for Europe being less than the world average over this period, Europe's arrivals figures have seen strong growth, just doubling since 1980.



- A series of National Tourism Administration (NTA) surveys undertaken by WTO over the last two years show that NTAs are increasing their promotional activity and developing more aggressive marketing strategies. There is also an increasing number of NTAs entering into joint ventures with the private sector. Tourist offices are diversifying their tourism product to encourage new markets, spreading demand away from more traditional areas such as cities and coastal regions. The trend for visitors to take multiple short breaks rather than one longer holiday is encouraging many NTAs to develop tourist products to attract shorter staying and higher spending visitors. There is also an increased use of the Internet as a promotional and sales tool. Finally, most destinations anticipate continued but steady growth reflecting their relative maturity as tourism destinations. Strongest growth is anticipated in the East Mediterranean subregion, with Cyprus, Turkey and Israel all expecting growth rates more than double the European average. The countries of Central/Eastern Europe also expect strong growth rates to accompany a diversification of their tourism product away from the cities to more rural areas.

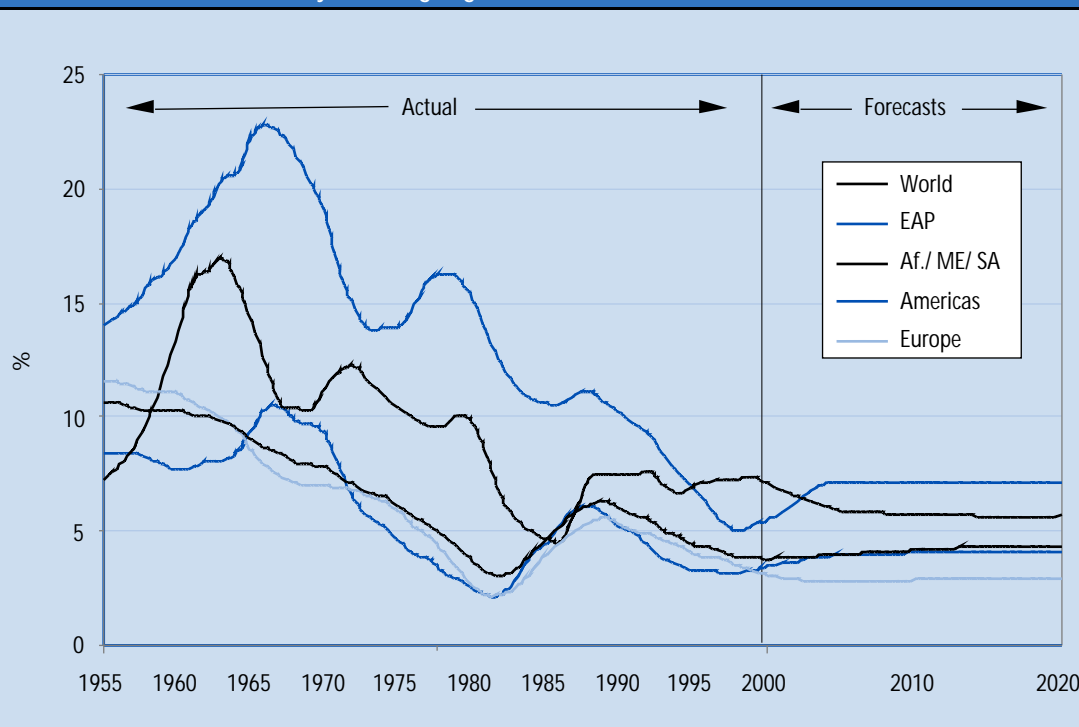
- The European tourism industry faces ever increasing levels of destination competition from other destinations and other goods and services which vie with travel and tourism for discretionary time and spending. The Internet will become increasingly important as a promotional and sales tool, as will Digital TV *when* it becomes more established. A shift towards the predominance of the service economy in Europe will lead to the rapid expansion in the number of call centres for marketing and sales. The timeshare market is increasing in importance, with some of the large tour operators entering the market. As leisure time continues to become a more valuable commodity, theme parks will become increasingly popular, by offering the visitor a wide range of attractions and facilities in a relatively compact area. The gradual introduction of the Euro as a single currency throughout the European Union will have a wide range of positive effects for the tourism industry in Europe, the main benefit coming from increased intraregional travel. The rapid increase in the number of low cost airlines starting up throughout Europe will continue to boost intraregional travel due to the low cost of fares. Consolidation of tour operators and travel agents throughout Europe will continue, with the medium size operator being swallowed up, leaving the large operators and the small specialist operators to serve the markets. Western society is experiencing an increased senior citizen segment, record divorce rates, later marriages and families and increased single parent households; environmental awareness is also on the increase. These factors mean that the travel and tourism industry must cater to a greater number of household and special interest segments.



- The *Tourism 2020 Vision* forecasts show that international tourist arrivals are expected to reach over 1.56 billion by the year 2020. This demonstrates an annual growth rate of 4.1 per cent over the period 1995-2020. Long-haul travel worldwide will grow faster than intraregional travel. In 1995, long-haul travel accounted for 18 per cent of all international trips; by 2020 this is expected to increase to 24 per cent.

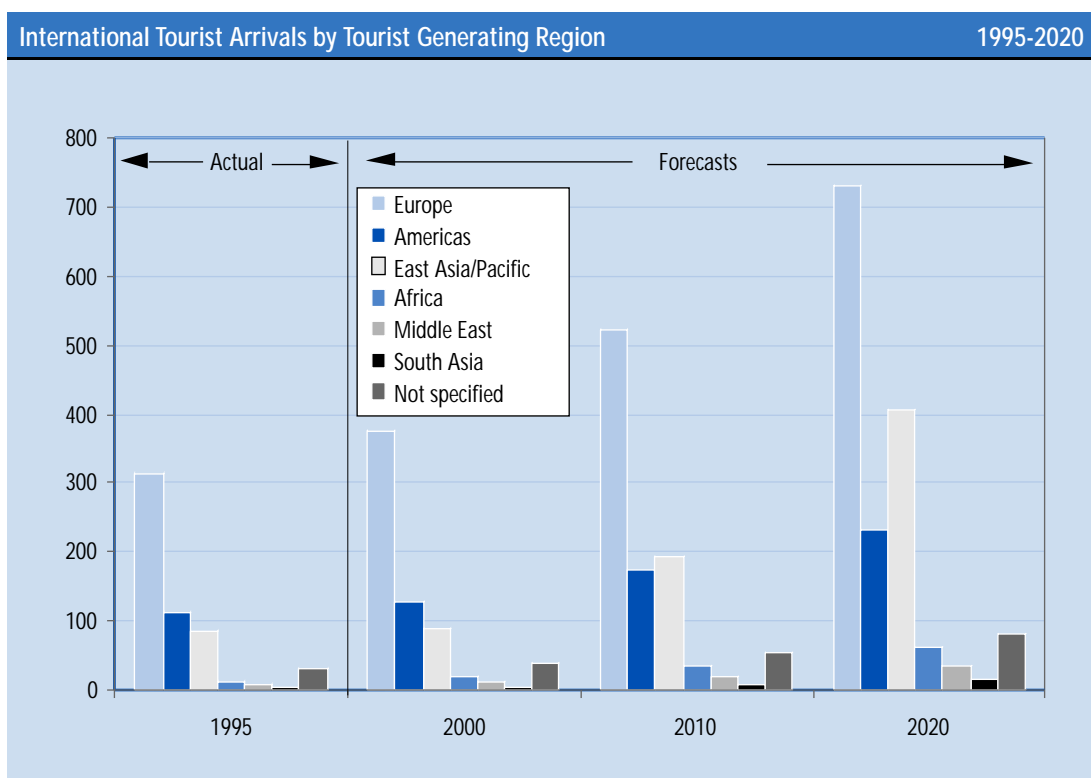
- Forecasts for international tourist arrivals to Europe show that there will be 717 million arrivals in 2020. This represents an annual growth rate of 3.0 per cent over the period 1995-2020, which is below the global growth rate of 4.1 per cent. Consequently the overall share of arrivals to the European region is expected to decrease over the forecast period. The growth rate of arrivals to Western Europe will be the lowest of all the European subregions, and by 2020 Central/Eastern Europe will attract more visitors than Western Europe. Strong growth is also expected for arrivals to the East Mediterranean subregion. Long-haul travel to Europe will grow at over one percentage point faster than intraregional travel over the period 1995-2020.

International Tourist Arrivals by Receiving Region Growth Rate, 1955-2020



- The *Tourism 2020 Vision* study forecasts that there will be over 729 million outbound tourist arrivals generated from Europe in the year 2020. This represents an annual growth rate over the period 1995-2020 of 3.4 per cent, over half a percentage point below the global average of 4.1 per cent. Whilst Europe will remain the world's largest tourist generating region by some considerable margin, it is losing its market share. In 1995, 55 per cent of all outbound tourists were from Europe. By 2020, this will decline to around 47 per cent. Though Western Europe will remain the largest generating subregion within Europe over the forecast period, the East Mediterranean subregion will show the highest growth rate of outbound tourists. Long-haul travel from Europe will grow at over double the rate of intraregional travel between 1995 and 2020.
- By 2020, 346 million tourists will visit Mediterranean destinations, representing about 22 per cent of all arrivals worldwide. Despite the growth of the Mediterranean as the world's largest tourist receiving region, the region's share of global tourism is expected to decrease over the period 1995-2020.

- The ten Balkan countries are forecast to receive 79 million international tourist arrivals in the year 2020, thus recording an annual growth rate of 4.6 per cent over the period 1995-2020. The leading Balkan tourist destinations of Greece, Turkey, Bulgaria, Romania and Croatia will retain the majority of Balkan tourist arrivals; over 92 per cent in 2020.



- The individual inbound country forecasts for the main tourist destinations within Europe show that France will remain the region's largest tourist receiving country. By 2020, it is expected that there will be 106 million international tourist arrivals to the country.
- The outbound forecasts of the top five generating countries show that Germany will remain the region's largest generating country. However, the expected rate of growth of 2.9 per cent a year will be below European average. With an expected growth rate of 3.9 a year, France will be the fastest growing generating market of the five major ones analysed for this report.

1 Changes, Performance and Trends in the 1990s

1.1 Determinants and Influences

The decade started with the world's economy in a weak period and the Gulf War casting a shadow over the tourism sector in 1991. This was a period when tourist numbers declined in many European countries, in consequence of which operator's profits were reduced or wiped out. The region's airlines were particularly affected: passenger volumes fell, while fuel prices rose; and carriers such as Sabena and SAS cut costs by laying-off workers (2,200 and 3,500 respectively). International Leisure Group, the UK's second largest tour operator (and integrated airline) went into liquidation in 1991.

The war and division of Yugoslavia also had an impact on Europe's tourism with over 8 million tourists a year having to find another destination. Since most of these switched to Italy, Greece and the Alpine countries, the overall impact on Europe was not strongly marked.

On the positive side, three main developments boosted Europe's tourism, particularly intraregional flows: the increased integration of the European Union resulting in greater mobility between EU member states and reduction of border controls; the opening of the Disneyland theme park outside Paris in 1992 (currently attracting nearly 15 million visitors a year); and the 1993 inauguration of the Channel Tunnel permitting direct rail services between the UK and continental Europe.

While African flows to Europe in the 1990-1995 period were sharply down (by over 4 per cent a year), those from East Asia and the Pacific region were strong across the board i.e. 9 per cent per year overall, with the subregion receiving the lowest rate of growth - Western Europe - still achieving an average annual rise of 7.8 per cent. Intraregional tourist flows saw above-average growth (as did those from the Middle East and South Asia), but there was a stagnation flow from the Americas to Europe.

1.2 Analysis of Flows in Europe

Europe has been a long-standing world leader in terms of tourism arrivals but due to the growing amount of new destinations on offer in other regions, its world share has fallen by five percentage points over the period 1980 to 1998 (Table 1.2a). Despite the average annual growth rate for Europe being less than the world average (apart from the 1995-98 period) Europe's arrivals figures have seen strong growth, almost doubling since 1980 for an overall period (1980 - 1998) growth rate of more than 4 per cent a year.

Table 1.2a International Tourist Arrivals, 1980-1998: Europe and the World

Year	Europe			World			Europe Share (% of world arrivals)
	million arrivals	average annual growth rate (%)	(Period)	million arrivals	average annual growth rate (%)	(Period)	
1980	186.0	5.1	(1970 - 1980)	285.9	5.6	(1970 - 1980)	65.1
1990	282.7	4.3	(1980 - 1990)	457.2	4.8	(1980 - 1990)	61.8
1995	338.4	3.7	(1990 - 1995)	565.4	4.3	(1990 - 1995)	59.8
1998	383.8	4.3	(1995 - 1998)	636.6	4.0	(1995 - 1998)	60.3

Source: World Tourism Organization (WTO)

(Data as in WTO database July 2000)

The original WTO forecasting study (finalised in 1993) underestimated the number of tourist arrivals to Europe in 1995 and 1998 (Table 1.2b). Principal causes were tourism's faster and fuller recovery than anticipated from the effects of the Gulf War and recession.

Other events of the early 1990s such as the opening of the Channel Tunnel and the opening of Disneyland Paris had a more strongly positive influence on arrivals than expected.

Between 1990 and 1998, Europe achieved an average arrival growth rate in international tourist arrivals of 3.9 per cent a year to reach 383.8 million, some 34.7 million higher than that forecast in the *Global Tourism Forecasts to the Year 2000 and Beyond, Volume 5 Europe*.

**Table 1.2b International Tourist Arrivals in Europe, 1990-1998
Comparison of Original WTO Forecast and Actual**

Year	WTO's Original Forecast (a)			Actual		
	million arrivals	average annual growth rate (%)		million arrivals	average annual growth rate (%)	
1990	284.2	4.1	(1980-1990)	282.7	4.3	(1980-1990)
1995	317.4	2.2	(1990-1995)	338.4	3.7	(1990-1995)
1998	349.1	3.2	(1995-1998)	383.8	4.3	(1995-1998)

Source: World Tourism Organization (WTO)

(Actual data as in WTO database July 2000)

Notes: a) As presented in the WTO Report: *Global Tourism Forecasts to the Year 2000 and Beyond, Volume 5 Europe*.

The 1990 base year figure differs from the actual figure because of data revision since finalisation of the forecast.

There have been major differences in the performance of Europe's five subregions between 1990 and 1998, though all regions showed growth. The Central and Eastern Europe subregion recorded very high average annual growth between 1990 and 1995 but saw a slowdown and even decline during the following three years up to 1998 due, in part, to the stagnation of the Czech Republic and the decline of arrivals to Hungary (Table 1.2c).

The end of the cold war had a tangible effect on arrivals and accounts for the above average growth during the early nineties to this European subregion as pent up demand could finally be realised for many countries who opened up their borders for the first time.

The only subregion showing substantially higher-than-average growth for the whole 1990-1998 period was the East Mediterranean subregion with an average annual growth rate of 7.4 per cent. Although the growth rate has slowed in the last three years due to a drop in arrivals to Israel following an upsurge in the unrest in the Middle East.

Southern Europe suffered from fluctuating visitor arrivals during the 1990 to 1995 period, but this region returned to a higher-than-average growth rate between 1995 to 1998 of 6.1 per cent, with Spain and Greece both showing good rates of growth during this period. Northern Europe has recorded an above-average growth rate of 5.3 per cent over the period 1990-1998, while Western Europe recorded a lower average growth of 1.8 per cent over the same period, though the last three years have seen an improvement in growth of 4.0 per cent a year.

Table 1.2c International Tourist Arrivals in Europe, 1990-1998 by Subregion (million)

Year	Northern Europe	Western Europe	Central/East Europe	Southern Europe	East Med. Europe	Total
1990	29.1	113.8	43.8	88.6	7.4	282.7
1995	37.6	116.7	78.9	93.7	11.4	338.4
1998	43.9	131.4	83.4	111.9	13.1	383.8
Average annual growth rate (%)						
1990-1995	5.3	0.5	12.5	1.1	9.0	3.7
1995-1998	5.2	4.0	1.9	6.1	4.8	4.3
1990-1998	5.3	1.8	8.4	3.0	7.4	3.9

Source: World Tourism Organization (WTO)

(Data as in WTO database July 2000)

2 Factors, Strategies, Plans and Trends

2.1 Survey of NTAs

2.1.1 Overview

For the *Tourism 2020 Vision* study, the goal was to prepare forecasts for each of WTO's sub-regional pairs (i.e. 44 in total). A survey was conducted in late 1997/early 1998 of WTO's NTA membership, from which we received 85 responses, of which 22 were from the European region. A follow-up survey was undertaken in January 1998 of 12 major Asian NTAs in order to revise tourist forecasts in the light of the Asian financial crisis. A third survey was conducted in September 1998, which involved 15 Asian NTAs, in response to the deepening economic turmoil in the region. The programme of direct enquiry with NTAs gave the WTO team guidance on anticipated strong-growth sources, and key marketing and promotional initiatives and trends.

2.1.2 Findings

- Due to the ever-increasing competition amongst destinations, NTAs are intensifying their promotional activity. The survey showed that up to three quarters of the European NTAs intend to increase their promotional spending, particularly abroad, and that their marketing strategy needs to be more aggressive. At present promotional activity appears to be concentrated on the key generating markets such as Germany, the United States and the United Kingdom. However, destinations are now diversifying their marketing to include emerging markets such as Russia, South Africa and the newly industrialised countries in East Asia and South America.
- There has been a significant increase in joint-venture promotion within the private sector, with over three quarters of NTAs looking at ways of linking up with their local private sector, whilst half stated that they are looking at ways to cooperate with the foreign private sector. Though Spain's marketing and promotion budget remains totally derived from the public purse, other European countries are attracting a greater contribution from the private sector (e.g. Ireland is 79 per cent public, 21 per cent private). France's marketing agency, La Maison de la France, has taken the joint-venture concept even further. Its 1997 campaign comprised numerous individual regional, thematic or specific product promotions, some of which were solely or largely funded by the private sector. Overall, just over a half of the total FF 377 million budget came from 870 private sector interests.
- The majority of tourist offices are diversifying their tourism product to encourage the generation of new markets, spreading demand away from the more traditional areas such as cities and coastal regions. There is also a trend amongst European NTAs to develop rural and cultural tourism, with many emphasising environmental management in order to encourage sustainability. Activity-based tourism is also a growing sector in many European destinations, involving water sports,

mountain hiking and biking, all of which are being promoted as a means of increasing visitors and broadening the appeal of their countries. Promotion of special events is also becoming an increasingly popular method of generating destination awareness.

- Reflecting the increased congestion in many of Europe's tourist 'honey-pots', several NTAs reported that tourism products and services are being developed to attract high spending tourists. Promotional activity is directed at this category in two principal ways: seeking high-spending markets, such as the Japanese, or high-spending segments such as the retired 50 to 60 year old age group.
- There is a trend in Europe for visitors to take multiple short breaks rather than one traditional longer holiday, and approximately half the European NTAs surveyed are developing their tourist products and services over the next 5 to 10 years to seek and attract shorter staying but higher-spending tourists.
- Although Europe is lagging behind its American counterparts in terms of technology and Internet use, there are an increasing number of NTAs developing and using web sites as a means of promotion. From a survey conducted in 1998, the most visited destination site amongst the European countries is the Interactive Israel site. Internet use amongst Europeans is expanding rapidly, which has important implications for the tourism industry. Travel web sites are becoming increasingly popular, often providing the user with travel information, destination reports, and on-line holiday, hotel and airline booking opportunities.
- Most destinations anticipate continued but steady growth reflecting their relative maturity as tourism destinations. Strongest growth is anticipated in the East Mediterranean subregion, with Cyprus, Turkey and Israel all expecting growth rates more than double the overall European region average. The countries of the Central/Eastern European region also anticipate strong growth rates, and a diversification of their tourism product away from the cities to include rural breaks, activity holidays, as well as spa and health tourism.

2.2 Factors Determining Europe's Prospects

2.2.1 Competition

The European tourism industry faces ever-increasing levels of destination competition from both within and outside the region. A whole range of factors account for this competition, including the promotional activities of competitor destinations through to less obvious exogenous variables. The very nature of tourism supply and demand, encompassing many variables such as economic and financial development, political influences, demographic and social changes, technological innovations, and a whole range of market forces, compound the difficulty of successfully operating within the tourism industry.

At the same time, an increased range of goods and services that vie with travel and tourism for discretionary time and spending will create another form of competitive pressure. In its revised statement on Megatrends for European Tourism, the European Travel Commission indicates that the expanding range of leisure offers in residential areas (e.g. theme parks, entertainment, health

clubs, sporting and cultural events) will lead to more shorter, close-to-home trips diverting such demand from longer trips further afield. It expects this trend to be especially marked in times of slower economic growth.

2.2.2 Technology

Internet and World Wide Web

We live in an age where technology is shaping the way we live, and how we spend both our work and leisure time. Information technology increasingly provides instant and interactive access to products and services, including those on offer from the tourism industry. The Internet is perhaps the most current and vaunted example. A wide range of sources estimate that at present one third of all west European adults have access to the Internet, whether at work or at home. This has particular ramifications with regard to E-commerce (sales made via the Internet) whereby it has been forecast that between 1998 and 2000:

- goods and services ordered over the Internet will quadruple; and
- marketing use of the World Wide Web by firms will increase from 44 per cent to 75 per cent.

Organisations continue to develop their own marketing and sales packages in order to identify and communicate with individual market segments and niches. We are moving towards a direct, or segmented, marketing approach, whereby specific customers are targeted. This type of marketing is being made possible by the development of sophisticated tourism information systems that can hold a large amount of information on each customer.

Electronic networks, such as the World Wide Web, support two important marketing strategies at the same time: segmentation and globalisation. One may contact the 'entire world' and at the same time create specific products for very different market segments.

New approaches to marketing are appearing as a result. Participants in the tourism industry define their own interface to the world (their web site), stating what they have to offer. If this interface is interesting, the consumer will access it. In effect, it is the opposite of traditional marketing techniques.

However, it is not only the traditional suppliers in the tourism industry, such as the tour operators, hotels, and national tourist offices, which will sell their product in this way. New companies are entering the market to sell tourism products. Companies that have learned to deal with the web will have a comparative advantage. An example is Microsoft who, through its Expedia site (one of the world's top five most visited web sites), sells a wide range of holiday products, such as flights, hotel rooms and package holidays.

To emphasise the near term future value of E-commerce, Virgin Holidays plans to invest an estimated US\$ 80 million in this technology during 1999, to launch a site which will include all its flights, package holidays, music and videos, and all the other Virgin products.

It has been suggested by some commentators that the use of the Internet, and more specifically E-commerce, will mean that independent travel agents will lose out. The Internet allows tourism industry suppliers to reduce their dependence on glossy brochures and a physical presence in the market place, thereby making significant cost savings. It also gives travellers the chance to search for travel bargains from the comfort of their own home. Indeed, the power of this technology has resulted in European Union money being made available to national tourist boards to develop their web sites and research the value of the Internet. While many consumers will still seek the personal advice of specialist travel agents, and many will not grasp the technicalities of surfing on the Internet, Digital TV helps to overcome many of these barriers.

Digital TV

Interactive digital television has emerged as the latest technological threat to traditional holiday selling practices. In the UK, Teletext has proved the power of the television as a selling medium but it is not interactive. Many satellite and cable providers are introducing services offering interactive functions at the touch of a button, not the least of which is home shopping. Digital TV suppliers envisage on-screen booking and payment systems. Initially, interactivity will involve pulling information off the screen then telephoning for confirmation of availability and payment.

Call Centres

Other technically innovative and modern approaches are being applied to marketing and sales. Call centres are becoming a common feature of the developed world. In the UK alone it is estimated that there are around 5,000 call centres and that by the year 2000, one-in-thirty of the workforce will work in a call centre. The primary reason for this undeniable trend is the shift towards the predominance of the service economy in European countries. At the same time, those regions most effected by the decline in manufacturing are becoming the obvious locations for call centres, offering relatively cheap labour. Thomas Cook and EasyJet are examples of firms embracing the call centre concept, whilst British Airways created 3,000 new call centre jobs in the spring of 1998.

2.2.3 Timeshare

The timeshare market is increasing in importance, and in 1997 it was estimated that 700,000 timeshares were sold worldwide. As a result, large tour operators and other interested parties are becoming involved. For example, the UK's top two tour operators, Thomson and Airtours, have entered the timeshare market whilst one of Europe's top construction companies, Barratts, is developing and marketing timeshare accommodation.

The timeshare market does, however, continue to suffer from a poor image. It is this image, and the increasing number of European timeshare sales which prompted a EU Timeshare Directive giving buyers a ten day cooling-off period after contract signature, no-deposit payments and the presentation of management/maintenance contracts in the buyer's native language.

Many timeshare companies are now attracting potential buyers with a range of special offers. For example, the Marriott Four Seasons Country Club in the Costa del Sol is offering free golfing holidays to prospective clients.

One of the perceived down sides of timeshares is the commitment to holidays in one place every year over a long period of time. To counter this negative perception, some of the larger timeshare companies have taken up membership of timeshare exchanges. In effect, timeshare subscribers can 'swap' their locations with others offering similar graded properties and facilities.

2.2.4 Theme Parks

The tourism and leisure industry is based on the availability of time and money. Statistics indicate that European citizens are experiencing increasing affluence. However, a study for the WTO Business Council (WTOBC) conducted by Horwath UK suggests that the availability of leisure time is not increasing to any significant degree but is in fact stagnating. The pursuit of leisure activities which maximise available time are therefore becoming increasingly important. Theme parks are filling this need, offering visitors a wide range of activities and experiences all condensed into a relatively small area. They are also being built in more traditional tourism destinations as a means of differentiating resorts from competitor destinations.

Disneyland Paris is a recent example. Visitors often visit the theme park and nothing else. Everything they need is in the confines of the park. The Disney theme park stands out amongst all the others given that it appeals to all generations regardless of age, religion, culture or language. The output of cartoons over its 70 year history and the distant but strong appeal of Disney's US counterparts has made the sale of Disneyland Paris to Europeans relatively simple.

Other European theme parks that are attracting large numbers of visitors include Efteling in the Netherlands, Port Aventura near Barcelona, PhantasiaLand which is located between Cologne and Bonn in Germany, Parc Asterix near Paris, and Futuroscope in southern France. It is estimated that there are 65 million visitors a year to UK theme parks alone.

Center Parcs is a concept that takes the theme park package one step further. Rather like a tourist enclave, these self contained resorts provide everything young affluent families appear to expect from a holiday, including a safe environment. Occupancy rates reach 90 per cent year round. Facilities protected from the elements ensure that poor weather cannot interrupt activities. Center Parcs have been developed in several countries across Europe.

2.2.5 The Euro

At the beginning of 1999, eleven of the European Union's member states locked their exchange rates into the Euro, which became their legal currency. The 11 European Union countries now committed to the Euro are: Austria, Belgium, Finland, France, Germany, Netherlands, Ireland, Italy, Luxembourg, Portugal and Spain. Greece is likely to be ready to join this group as twelfth country by 1 January 2001. Other EU member states, Denmark, Sweden and the UK, have yet to join the Euro-zone.

The aim of the Euro is to create a single low inflation economy with a more stable and resilient currency. Issued by the European Central Bank, the Euro is made up of 100 cents. The European Monetary Union (EMU) members will convert fully to the new currency in the first months of 2002. Euro notes and coins will come into circulation 1 January 2002. Within two weeks only a minority of cash transactions will be carried out using old national notes and coins.

With regard to tourism, there are a number of possible consequences to be derived from the launch of the Euro:

- holidaymakers will save on converting cash and credit card bills;
- travel companies will benefit financially from each booking due to greater predictability of costs;
- competition between the tour operators across Europe will grow, as they fight for markets in each other's countries;
- fee and commission income from foreign exchange business will be lost from within the Euro-zone countries;
- travel agents will be able to book hotel rooms in other Euro-zone countries at an agreed price;
- greater price transparency will encourage scheduled airlines to harmonise their fares;
- the Euro-zone will in effect become one large domestic market; and
- the single currency could provide an enhanced marketing edge for those offering tourism in the Euro-zone, particularly with respect to the sale of two country holidays for long-haul travellers from outside Europe.

The consensus viewpoint is that the main benefit to tourism will come from increased intra-European travel.

2.2.6 Airlines

European air deregulation has produced an influx of new, no frills low cost airlines. Their impact has been felt in the industry, but some would say to a limited degree principally because they operate from secondary airports, being unable to obtain landing slots at major airports. Nonetheless, their success has forced major carriers to enter into the low fares travel market segment: British Airways and Lufthansa being the two most notable European examples.

Many see this development as a boost to travel and tourism within Europe, with air travel becoming more affordable. Short city breaks are now more common than ever before. As a result, the low cost operators are introducing greater capacity at a faster rate than the majors. Experience shows that leisure travellers are not averse to trading down, particularly when it comes to short-haul flights.

The growth of low-cost airlines may be one of the principal reasons why the large European airlines are experiencing lower profits. For example, British Airways recently revealed its first unprofitable quarter in the 12 years since its privatisation in 1987. The airline is slimming down its 80 European routes, some of which are only marginally profitable.

Airline alliances are also an increasingly common feature of the industry, although concerns have been raised as to whether this is in the best interests of the travel business and the travelling public as a whole. It is possible to identify five major existing and proposed alliances that involve European airlines:

- the Star Alliance, which includes Air Canada, Air New Zealand, ANA - All Nippon Airways, Ansett Australia, Austrian Airlines, Lufthansa German Airlines, SAS - Scandinavian Airlines System, Singapore Airlines, Thai Airways International, United Airlines and VARIG Brazilian Airlines. Mexicana Airlines and British Midland Airways are slated to join Star Alliance later in 2000;
- the Oneworld partnership which includes Aer Lingus, American Airlines, British Airways, Cathay Pacific Airways, Finnair, Iberia, LanChile and Qantas;
- the Air France-Delta alliance;
- Swissair, Sabena, TAP Air Portugal, Turkish Airlines, AOM, Crossair, Air Littoral, Air Europe, LOT Polish Airlines, Volare Airlines and PGA Portugalia Airlines have teamed up under the Qualifyer Group banner;
- the KLM-NorthWest alliance.

There are several airlines owning stakes in others. In general, this relationship normally applies between a major national carrier and smaller regional airlines, particularly in Europe, where regional services are now deregulated. British Airways now has a 70 per cent stake in the French regional airline, Air Liberté, as well as 100 per cent ownership of Deutsche BA. KLM has similar stakes in other European airlines, notably Transavia, Martinair and Braathens.

A further type of alliance is the use of franchising to enable smaller regional airlines to benefit from the use of code-sharing and from other marketing benefits of an alliance with a major carrier. Several UK regionals including Brymon, Manx and CityFlyer Express are now, from a passenger perspective, a complete British Airways product. This, it could be argued, reduces customer choice as well as discouraging competition.

The growth towards mega-alliances is now starting to have an effect on the control of airport hubs by non-national airlines. The opportunity for airlines to pick up and carry traffic outside their own countries is an important development in increasing its share of global markets. Control of airport hubs will be paramount in the future. Already, Lufthansa, through its ownership of Air Littoral, now effectively controls Nice airport, whilst and Qantas have a dominant position in Singapore. The European Commission, of course, is fully aware of the dangers of this and is in the process of weakening position at Heathrow and Lufthansa's at Frankfurt.

At Amsterdam, where there is effectively an 'open skies' agreement enabling US airlines to provide onward fifth freedom flights within Europe, there has been a 35 per cent total increase in traffic over a four year period, in comparison to an average three per cent for other airports in Europe without this agreement. This shows the benefits of such arrangements, and no doubt the US Government would suggest that similar benefits would apply to European airlines flying within an 'open skies' US market. At present however, there is little sign that the European Commission will have an effective mandate from its member states to pursue bilateral negotiations with the US on behalf of the EU as a whole.

The competition between the majors, the regionals and the low-cost airlines will doubtless continue, with the regionals increasingly enticed to join alliances as they are squeezed between the premium and the low cost fare markets. In practice, this suits the majors in many markets, as they can franchise out less profitable short haul routes whilst at the same time maintaining feeder traffic for their core routes.

2.2.7 Tour operators

The tourism industry has undergone an unprecedented level of consolidation over recent years, a feature set to continue at least in the near term. This activity is epitomised by the large German and UK tour operators, countries that account for the largest number of outbound European tourists. Tough price competition in European markets appears to be the main reason accounting for this consolidation.

Preussag, the German tour operator, announced that it is looking to raise US\$ 1.2 billion to enlarge its tourism business. It is interesting to note that Preussag has replaced heavy industry such as coal mining, steel production and engineering with tourism as its core activity. It has been suggested that Thomson, the UK's top tour operator, may be one of the group's targets but this could cause difficulties given that Preussag already effectively controls Thomas Cook.

Thomson has itself been on the acquisitions trail, and over the past years has purchased the Magic Travel Group, Crystal Holidays and Blakes Boating Holidays. Thomson's licensed carryings have increased to US\$ 4.9 million.

The German travel industry is characterised by a complex web of cross holdings. For example, Preussag's takeover of Hapag Lloyd, the tourism and shipping group, included Germany's third largest charter airline. This transaction gave Preussag's main shareholder, Westdeutsche LB, control of TUI, the number one tour operator. Hapag Lloyd owns 30 per cent of TUI, while WestLB directly owns another 30 per cent. Preussag is believed to want 100 per cent control of TUI to combine Hapag's charter airline with TUI's tour operating and retail interests.

Similarly, in the UK the race is on for a greater share of the international market. As noted above, the UK's number one tour operator, Thomson, owns a string of specialist tourism companies. In addition it is the parent company of Britannia Airways, Europe's largest charter airline, and the large UK travel agency chain Lunn Poly. Thomson also owns tour operators in Ireland, Sweden, Denmark, Norway and Finland, emphasising the perceived importance of the Scandinavian travel

market. The group has also stated publicly that it is looking for further acquisitions in the UK, the Benelux countries and Switzerland.

The case for Thomson has not been one of success alone. It has made mistakes, highlighted by the start up of Thomson Sverige in Scandinavia. This company made a notable loss and ceased trading in 1998. Further, perhaps as a result of oversupply and/or competitive factors, Thomson slashed its holiday prices for 1998 by some 15 per cent.

Airtours is the UK's second largest tour operator. After a period of concentrating on US and other European expansion, the company has become increasingly interested in other UK operators. The stated reasons for this include aspirations to serve new and specialist markets and cost savings. To pay for these acquisitions, Airtours released a US\$ 480 million bond issue. It is interesting to note that Airtours became the first mainstream UK operator to gain a foothold in the important German market when, in 1998, it took a US\$ 28 million stake in the package tour operator Frosch Touristik.

Another particularly interesting acquisition by Airtours was the mid-1998 purchase of Direct Holidays, a direct sales holiday company, a sector of the industry which is rapidly growing in the UK. It paid US\$ 130 million for the company and immediately gained 25 per cent of the UK direct sales market. To put this into context, Thomson covers approximately 50 per cent of this market through its ownership of Portland Holidays whilst First Choice holds a further 15 per cent via its control of Eclipse.

Part of Airtours's strategy has been to cut capacity and the number of cheap holiday packages it offers for 1999. This is in direct contradiction to the strategy employed in the previous two years. In terms of its foreign acquisitions, Airtours bought Scandinavian Leisure Group in 1994 which now accounts for around 40 per cent of its revenues, whilst the 1996 purchase of Simon Spies Holding of Denmark consolidated this position. As a result, Thomson and Airtours between them account for some 65 per cent of Scandinavian holiday sales.

TUI of Germany is known to be targeting Italian and French operators, in direct response to the acquisition stance held by Thomson and Airtours. Similarly, Switzerland's largest travel company, Kuoni Reisen AG is looking for acquisition opportunities in Germany following its purchase of the travel agent Euro-Lloyd Reisebuero from C&N Condor Neckermann Touristik.

Vertical integration in the industry has provided charter airlines with secure sales, high load factors and low risk levels. The operators continue to buy practically all the seats from their airline subsidiaries, gaining cheaper prices and greater control over flights in return.

2.2.8 Political, Social and Behavioural Trends

National controls on travel have progressively eased over recent years as the economic benefits to be derived from tourism have become more widely recognised. The most significant examples relate to the easing of travel restrictions to a number of countries in Eastern Europe. This is a trend set to continue into the next century. Visa requirements are becoming more relaxed throughout

much of Europe, whilst political agreements, such as that between the so-called Schengen countries, may help dispense with the need for passports altogether.

In terms of demography, all the indications are that the proportional share of older citizens will increase in Europe's mature economies, whilst workforces will contract as the number of young people stagnates. As a result of this, there will be an increase in demand for tourism products suited to the older market segments. Further, North European workforces will be supplemented by migrants from the south of the continent, which in itself will create demand for travel and tourism with a greater emphasis on value-for-money.

Western society is experiencing record divorce rates, later marriage and families, and increased single parent households. The implication of this is that there are a greater variety of households or household segments for which the travel and tourism industry has to cater.

Environmental awareness is on the increase, with mainstream political parties paying more than lip service to environmental issues, and so-called Green parties becoming a political force in their own right in some European countries. Water cleanliness, air pollution, recycling, water shortages, flora and fauna protection, amongst other issues, are being addressed. Europe is, on the whole, characterised by relatively high living standards and levels of education, two factors which help to explain increased environmental awareness in the continent. This awareness is further increased by the high standard and availability of media reporting of major events and issues. These reports are likely to feed into increased awareness of tourism development issues and lead to increased scrutiny on the part of the public in destination decision making, plus the growing requirement for tourism developments to be sustainable. Indeed, such awareness may in itself generate demand for niche tourism products. These products will range from small volumes of those with a special eco-interest involving serious study of a chosen subject, through to large volumes of resort or general interest holiday makers wishing to incorporate a day trip to, say, a nature reserve or cultural site.

The majority of Europeans live in densely populated urban areas. This in itself prompts certain types of tourism demand: rural escapes, short breaks, self catering holidays, city breaks, out-of-season holidays, activity based trips, and so on. Further, as the world becomes increasingly known and fewer new destinations are left for tourists to discover, there is a trend to travel to more remote and less well known and accessible locations.

Continuing advances in information technology and the lowering of travel costs to travellers have helped accelerate the increase in tourism numbers, and in many respects this reflects the globalisation process so apparent today. At the other end of the spectrum, local concerns in the face of global trends are producing inevitable friction. With globalisation comes uniformity. A significant number of tourists therefore wish to participate in hedonistic activities over an intense two week period, which could be pursued in their own country of domicile, at destinations which guarantee excesses of entertainment and good weather. There are numerous examples of resorts which pander to the limited needs of particular market segments, such as the youth oriented rave culture which has materialised in Ibiza, which in turn has produced local concerns. Similarly, all-inclusive holidays, which produce very little interaction between the tourists and the local people/culture, are becoming increasingly popular for European travellers.

In many respects, European travellers expect high levels of service at a value-for-money price. If they do not get this, they are liable to go elsewhere.

It is worth noting that the social trends detailed above will rarely work in isolation, and will in fact influence one another and change through time. The potential overall result will be the polarisation of tourist tastes which, on the one hand, will solidify the attraction of mass market mainstream tourism to developed destinations, whilst at the same time generating demand for individualised or niche tourism products. This will have implications for marketing activities, with the need to match product with demand whilst achieving the right quality/price balance.

2.3 Destination Strategies

2.3.1 Overview

Europe represents a vast array of both country and regionally specific languages, cultures, pastimes, foods, activities, scenery, political structures, and so on. The term Europe is only descriptive of a geographically bounded region. In terms of tourism, it is therefore possible to identify distinct tourism products for various countries, products which require different methods of promotion and management. The following section highlights some of the main components of individual country strategies being employed throughout different parts of Europe.

2.3.2 Individual Country Examples

Since re-unification **Germany** has become increasingly attractive to tourists who can benefit from the high standard tourism product offered, especially accommodation and cuisine. The German National Tourist Office is continuing to develop its successful marketing themes, which concentrate on the country's mix of history and the arts. There are a wide range of events and festivals planned. Celebrations include Nuremberg's 950th anniversary and Hanover's hosting of the Expo 2000 exhibition. Tourism in Germany will also benefit from the new Eurostar services which will provide direct services to a number of German towns and cities.

With the current trend of specialised tourism activities and the eco-tourism market, **Switzerland** should be well placed to benefit with its scenery and relatively pollution free environment. Switzerland Tourism's current theme is 'Summer Live', promoting sports activities, fitness, health, hiking and culture. Also being encouraged is the seminar and education market. Due to Switzerland's excellent facilities and professional knowledge, it lends itself to providing a base for conventions, exhibitions and incentive travel to be held in either cosmopolitan towns or hidden mountain retreats. Activity incentives can also be incorporated due to the quality sporting facilities available. Many cultural festivals are also planned, including the 'Fetes des Vignerons', a wine festival held every 25 years at Vevey on Lake Geneva.

Following the success of the World Cup in **France** during 1998, the French Government Tourist Office is striving to maintain growth rates in all its regions. Partnerships with Air France and Brittany Ferries set out to promote different aspects of French holidays from skiing, golf and spe-

cial interest travel as well as the more traditional sun and sand holidays in coastal regions. The French ski industry with its large capacity and high altitude resorts is the most successful in Europe. The industry also should see benefit from stagnation in demand to resorts in North America, as many European skiers remain within Europe.

In **Turkey**, tourism is based on a mix of ancient sites and cities, seaside resorts and diverse scenery. Whilst tourist interest is maintained year round in Istanbul, the authorities realise that more and higher graded hotels are needed, plus better infrastructure to cope with the influx of visitors. Away from the historic city, the Turkish coast offers travellers good beaches, historical and archaeological interest, including the Temple of Artemis at Ephesus one of the seven wonders of the world. However, some of the main coastal resorts have been heavily developed, in particular Bodrum and Marmaris. In response, the tourism authorities are emphasising the tranquillity and attributes offered by other less developed coastal resorts which are subject to greater development control. For example, Patara possesses a colony of loggerhead turtles: daily use of the beach incurs a charge on tourists, whilst at night, when the turtles are at their most active, the beach is off-bounds. There are also a number of interesting archaeological ruins here which has given the coastal belt conservation area status. Patara's hotels have to be built some way inland to protect this status. Similarly, Kale, which is only accessible by boat, is the site of some significant and historically important Crusader ruins. Other coastal resorts which are being promoted in a controlled manner include Gocek, Orhaniye, Gumusluk, Kalham and Akyaka.

For **Cyprus** 1999 was the starting year for the new ten year tourism plan, which is designed to emphasise Cyprus, not only as a sun destination, but a country of history, culture, scenery, and high quality tourism product. The authorities are actively improving the country's infrastructure to cope with tourists' expectations, particularly from the US and Japanese markets. Furthermore, given the importance of tourism to the Cypriot economy and the intention to increase the number of tourists from two to three million per year by 2003, additional attractions are being developed. The prime developments are big money earners such as golf courses, casinos and theme parks. Limassol is undergoing significant improvement and a major water theme park is to open there soon, with another five such parks planned around the island. It is hoped that the ability to cruise from Limassol to Israel and Egypt will give the town a tourism boost. Other issues which are seen as particularly attractive to the Cypriot authorities are the promotion of its archaeological sites, at one end of the spectrum, to the increased development of all-inclusive holidays at the other. Agro-tourism is another focus, with the number of agro-tourism sites rising from 294 to 700 over the next five years. Cyprus is also trying to extend its attraction to travellers through year round activities: the number of walking trails have increased from 10 to 50 in the last three years. Birdwatching and mountain biking are also subject to a marketing campaign. To add some weight to their convictions, a nature park and a cultural park are set to open by 2001, five extra theme parks (with historical and mythological themes) are planned, whilst six new marinas (with a capacity for 4,000 vessels), four new golf courses, and a casino are in the pipeline.

In the past few years **Spain** has succeeded in recording a growth in international arrivals substantially above the regional average. This appreciable increase may be largely attributed to an ambitious public-private programme for the creation, renewal and modernisation of supply, the enhancement of quality, human resource training, internationalisation of the tourism enterprise and tourism promotion and marketing. Moreover, the economic and monetary climate has

favoured the development and diversification of tourism in the country. Another important element is the growth of domestic tourism. A key to the success has been the diversification of the tourism offer by adding elements of culture, nature and sports to the traditional sun and beach product. A growing interest can be identified for the northern part of the country, a still rather undiscovered side of Spain. Cities like Barcelona, Bilbao, Seville and Granada fared well. Bilbao is a fine example of a city that experienced a true revival thanks to the avant-garde Guggenheim modern art museum it succeeded to attract. According to KMPG Consulting, during the first year of operation the museum generated an additional US\$ 160 million, good for 3,800 jobs. It should be pointed out that Spain has benefited not only from an increase in leisure tourism but also from an upsurge in business tourism. This is a trend that is manifest in the country's development as a destination for congresses, conventions and fairs, to the point where it now ranks as the world's fifth in that segment of demand.

The **Portuguese** tourism authorities are monitoring tourism in the south of the country and, in doing so, disperse the economic benefits to be derived from tourism to other parts of the country. The north of the country is therefore subject to a major promotional campaign. It is noted that the north of Portugal is the location for many manor houses and cultural attractions, plus the fact that it is an important wine growing region, all of which are seen as particularly attractive to specific tourist market segments. Golfing holidays are also being linked to the north with new courses opening up. The Lisbon Expo '98 was a major force for tourism with a great deal of infrastructure built specifically for the event: the south of the country has therefore experienced massive promotion in the recent past. The promotion of the north is seen as a way of redressing this balance. All the same, hotel construction continues unabated throughout all of the major centres.

For **Greece**, the tourist authorities have publicly stated their intention to break away from cut-price low-quality holidays. A particular image is therefore being promoted via a 10 billion drachma global campaign. In addition to focusing on more affluent travellers, Greece is also trying to promote itself as a year round destination, rather than just from April to October. Given that tourism generates annual revenue of around US\$ 7 billion, or some 15 per cent of GDP, these efforts are being taken very seriously. Trekking, walking, skiing, birdwatching, climbing and cultural holidays are all seen as attractive to out-of-season travellers. Athens is preparing for the 2004 Olympic Games with the construction of a new international airport at Sparta, which will have a capacity for 16 million users and 65 aircraft movements per hour. However, Greece continues to expand the number of holidays available in the islands and there is concern among the travel trades of the major Northern and Western Europe generating markets that these destinations will not be able to cope with the additional influx of tourists.

In Northern and Western Europe, apart from skiing, countries continue to concentrate on their cultural and historic attributes. **Austria**, for example, is targeting up market travellers via the development of more three to five star hotels and cultural events such as the 100 and 150 year anniversaries of Johann Strauss and Strauss the Elder. In **Denmark**, the Danish Tourist Board has launched a telephone information line as part of its 'Wonderful Copenhagen' promotion, offering 24 hour advice on hotel availability. In the **UK**, the London Tourist Board put together a US\$ 16 million marketing campaign to promote the city as the number one destination for the Millennium, whilst in **Ireland** a new all Ireland tourism marketing body is to be set up by the relevant authorities designed to handle all international marketing for the north and south of the country.

The **Netherlands** is keen to diversify its tourism product and push the virtues of the relatively undiscovered centre of the country. One of the main reasons for this is that Amsterdam's popularity has outstripped its hotel capacity. Short breaks in Maastricht are being promoted whilst Efteling theme park continues to vie with Disneyland Paris as the top attraction.

The three Baltic countries, **Latvia, Lithuania** and **Estonia**, rely heavily on short city breaks or as part of a regional itinerary for the great majority of tourist visits. The main attractions of each of these three countries tends to be art, culture and architecture. There is very little travel to other less known parts of these countries. In many ways this is a feature of the unwillingness of tour operators to take risks in an untested market. Vilnius, the capital of Lithuania, is said to need 80 new hotels of various grades and sizes by 2015. Six are currently under construction or being expanded, and 1998 saw the opening of the Radisson SAS Astoria, whilst a Norwegian group is in the process of renovating a hotel in the capital. For Latvia, Riga is the draw with Hanseatic buildings, art deco and art nouveau architecture. A large number of private tourism firms are investing in hotels, restaurants and holiday operations, but they all seem to be centred around Riga. Culturally, Riga also offers the opera and ballet. All of these aspects are the main focus of promotion. Indeed, the old city is being renovated and the seventeenth century town hall destroyed during World War II is being rebuilt, which helps to emphasise the importance of the capital city as representative of the country's tourism product.

Much of the marketing effort of other countries in **Eastern Europe** is being directed at expatriates living in the West. As with the Baltics, it is city breaks which are being actively promoted, and much of the investment in hotel facilities tends to be concentrated in city centres. For example, the Nevsky Hotel Company is investing US\$ 29 million in a new four-star hotel in St. Petersburg, US\$ 15 million of which represents a loan from the European Bank for Reconstruction and Development. The remaining US\$ 14 million is coming from the consortium members which includes SAS Radisson, the Turkish construction firm Uçgen, the US-Russia Investment Fund and the Russian company Moscow-America. The hotel is due to open in June 2000.

There are signs, however, that Eastern European countries are beginning to realise the value of their tourism assets outside the capital cities. **Hungary's** first five-star hotel in the provinces opened in November 1998. A former hunting palace, it is very much directed towards added-value tourism. Budapest has helped highlight the value of tourism, and as such the authorities and the private sector are now promoting activity-based holidays such as birdwatching and vineyard tours. The Danube is also considered a notable tourism resource and river cruises are now receiving more prominence.

Poland is considered by many to be the rising star of Central Europe. Significant increases in the number of tourists have been based on heavy promotional spending and the growing number of direct air services. The National Tourist Office is perhaps the most proactive in the region, and is in the process of forming a National Tourism Organisation to take over marketing and promotional strategies from the Government.

Ukraine is a less obvious tourist destination and in relative terms is in its infancy. Hotels and infrastructure are undergoing rehabilitation, first and foremost to cater for business users. It is hoped that this work will also make the country attractive to tourists. The Crimea is being promoted for

its natural beauty whilst Kiev has been given the tag 'a city to see'. It is planned that more five-star hotels will be constructed.

For **Bulgaria**, the value for money offered at ski resorts is seen as a major plus point when compared to more traditional European ski resorts. One of the problems for Bulgaria is that it has not been promoted effectively enough to date. Indeed, the influence of the western media and lack of positive marketing communication from many of the countries from Eastern Europe has given much of the region an unfavourable image with crime, poverty and instability considered to be a common feature by many in Western Europe and elsewhere. Business travellers to the region are one of the best means of dispelling these perceptions, through positive word-of-mouth reporting of their experiences.

Even though the attractions of the various cities have gained pride of place, some tours are being developed for the country's interiors and new destinations. For example, tours are now available in **Uzbekistan, Turkmenistan, Georgia** and **Armenia**, the emphasis being on the old fashioned and cultural appeal of these destinations. Curious travellers are even being sold packages to Nagorno Karabagh. Hyatt is opening a new hotel in Baku, the **Azerbaijan** capital, and Radisson SAS already have a hotel there.

In Scandinavia, **Finland** and **Norway** are promoting themselves as destinations for natural beauty and activity-based holidays. Finland, due to the levelling of prices brought about by EU membership, is even highlighting its image as a value-for-money destination. Norway realises that it is relatively expensive, and so is concentrating on self-catering holidays, although the lack of suitable properties is still to be addressed.

In the East Mediterranean, **Israel** is hoping the end of the century will help it sell itself as the 'official destination of the Millennium'. The attendant marketing campaign is aiming to push tourism from two to four million a year for the next three years. The budget for the campaign is an estimated US\$ 75 million. Apart from the religious aspects of Jerusalem, the Golden City, and the Sea of Galilee, beach resorts, such as Tel Aviv, activity-based tourism, particularly diving, and the attraction of the Dead Sea, are all being pushed forward.

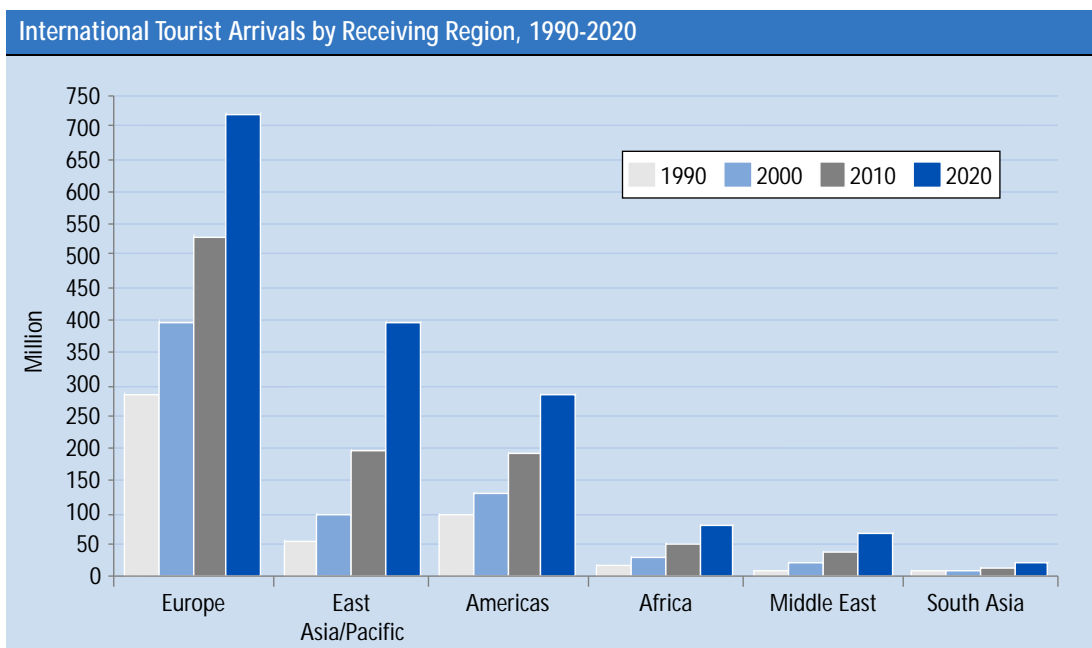
Malta is concentrating its efforts on short breaks for professionals, mirroring a growing trend for Europe. As a result, more people are visiting the island but for shorter periods. While receipts from tourism accounted for a 60 per cent increase in exports of goods and services in 1997, high utility rates and wage levels, compared to other parts of the Mediterranean, make profit making difficult. As a response, Malta is targeting more affluent market segments and building new golf courses and casinos. A new yacht marina is also being developed. In addition, and as a way of differentiating the tourism product, a new cruise terminal is planned for Valletta. Malta cannot compete with other sun, sand and sea locations in the region and so is trying to sell its 6,000 year-old history and culture. The move up market is epitomised by the Tamas Group's US\$ 150 million development at Portomaso, the fashionable district of St. Julian. This includes a five-star Hilton hotel that was opened in autumn 1999.

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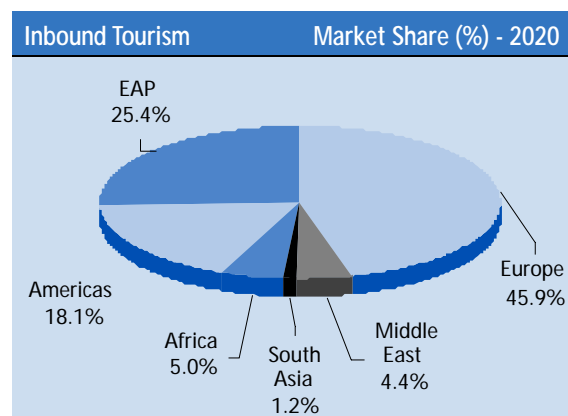
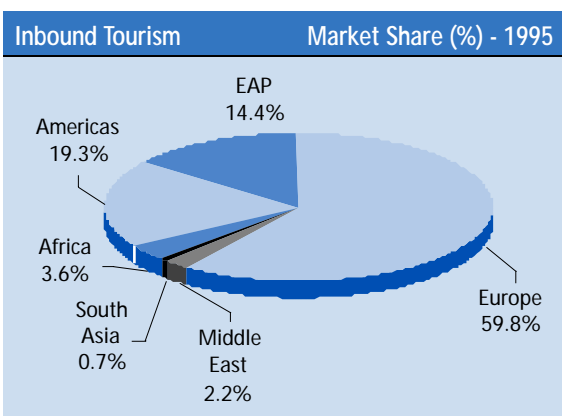
3 Forecasts to 2020

3.1 Forecasts of Inbound Tourism Worldwide

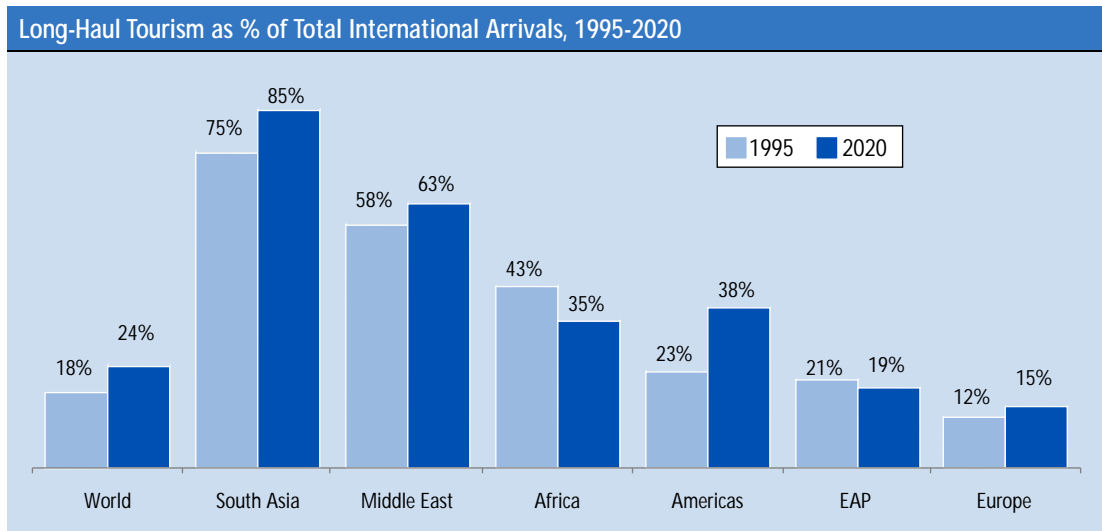
There were over 565 million international tourist arrivals in 1995, a level which grew to 636.6 million in 1998. The *Tourism 2020 Vision* forecasts show that international arrivals are expected to reach over 1.56 billion by the year 2020 (Table 3.1a). Of these worldwide arrivals in 2020, 1.18 billion will be intraregional and 0.38 billion will be long-haul travellers. The total tourist arrivals by region shows that by 2020 the top three receiving regions will be Europe (717 million tourists), East Asia and the Pacific (397 million) and Americas (282 million), followed by Africa, the Middle East and South Asia.



The European region will receive 717 million tourists by 2020, increasing from 338.4 in 1995 growing at an annual rate of 3.0 per cent over the period 1995 - 2020, which is below the world average of 4.1 per cent.



Long-haul travel worldwide will grow faster, at 5.4 per cent per annum over the period 1995-2020, than intraregional travel, at 3.8 per cent. Consequently the ratio between intraregional and long haul travel will shift from around 82:18 in 1995 to close to 76:24 in 2020.



Europe will maintain the highest percentage of world arrivals, although there will be a decline from 60 per cent in 1995 to 46 per cent in 2020. By 2020 the Americas will lose its number two position to the East Asia and the Pacific region which will receive 25 per cent of world arrivals with the Americas decreasing from 19 per cent in 1995 to 18 per cent in 2020.

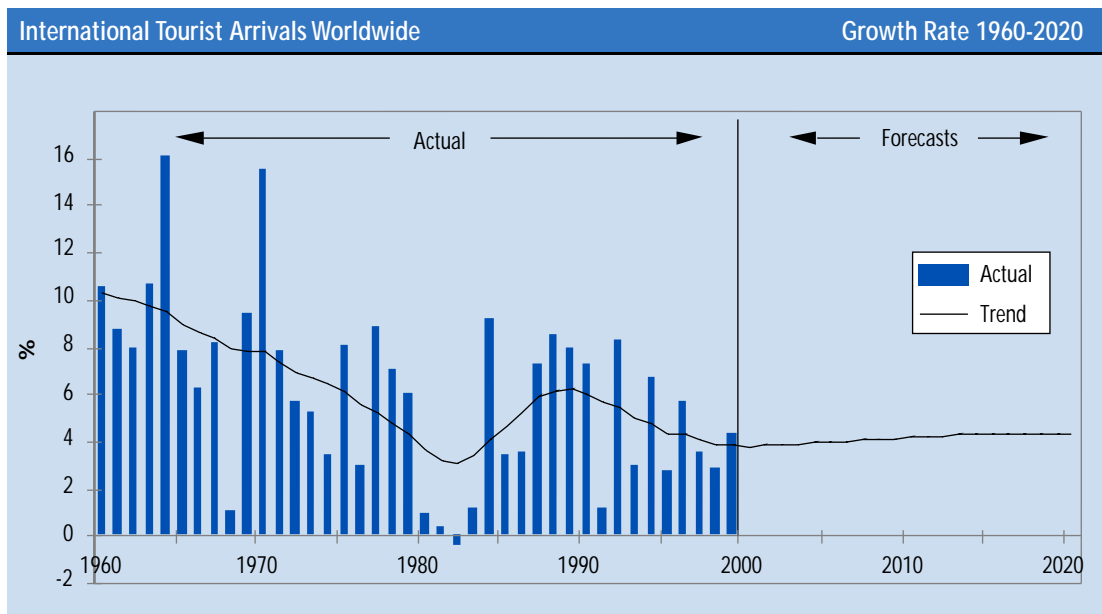


Table 3.1a WTO Tourism 2020 Vision: Forecast of Inbound Tourism, World by Regions
International Tourist Arrivals by Tourist Receiving Region (million)

	Actual			Forecasts		
	1985	1990	1995	2000	2010	2020
Total	327.1	457.2	565.4	667.7	1,006.4	1,561.1
Africa	9.7	15.0	20.2	27.4	47.0	77.3
Americas	64.3	92.8	108.9	130.2	190.4	282.3
East Asia/Pacific	31.1	54.6	81.4	92.9	195.2	397.2
Europe	212.0	282.7	338.4	393.4	527.3	717.0
Middle East	7.5	9.0	12.4	18.3	35.9	68.5
South Asia	2.5	3.2	4.2	5.5	10.6	18.8
Intraregional (a)	266.3	377.5	464.1	544.1	790.9	1,183.3
Long-Haul (b)	60.8	79.8	101.3	123.7	215.5	377.9
Market share (%)						
Total	100	100	100	100	100	100
Africa	3.0	3.3	3.6	4.1	4.7	5.0
Americas	19.7	20.3	19.3	19.5	18.9	18.1
East Asia/Pacific	9.5	11.9	14.4	13.9	19.4	25.4
Europe	64.8	61.8	59.8	58.9	52.4	45.9
Middle East	2.3	2.0	2.2	2.7	3.6	4.4
South Asia	0.8	0.7	0.7	0.8	1.1	1.2
Intraregional (a)	81.4	82.6	82.1	81.5	78.6	75.8
Long-Haul (b)	18.6	17.4	17.9	18.5	21.4	24.2
Average Annual Growth Rate (%)						
	Actual		Overall	Forecasts		
	1985-1990	1990-1995	Forecast 1995-2020	1995-2000	2000-2010	2010-2020
Total	6.9	4.3	4.1	3.4	4.2	4.5
Africa	9.0	6.1	5.5	6.3	5.6	5.1
Americas	7.6	3.3	3.9	3.6	3.9	4.0
East Asia/Pacific	11.9	8.3	6.5	2.7	7.7	7.4
Europe	5.9	3.7	3.0	3.1	3.0	3.1
Middle East	3.7	6.6	7.1	8.1	7.0	6.7
South Asia	4.8	5.9	6.2	5.7	6.7	5.8
Intraregional (a)	7.2	4.2	3.8	3.2	3.8	4.1
Long-Haul (b)	5.6	4.9	5.4	4.1	5.7	5.8

Source: World Tourism Organization (WTO)

(Actual data as in WTO database July 2000)

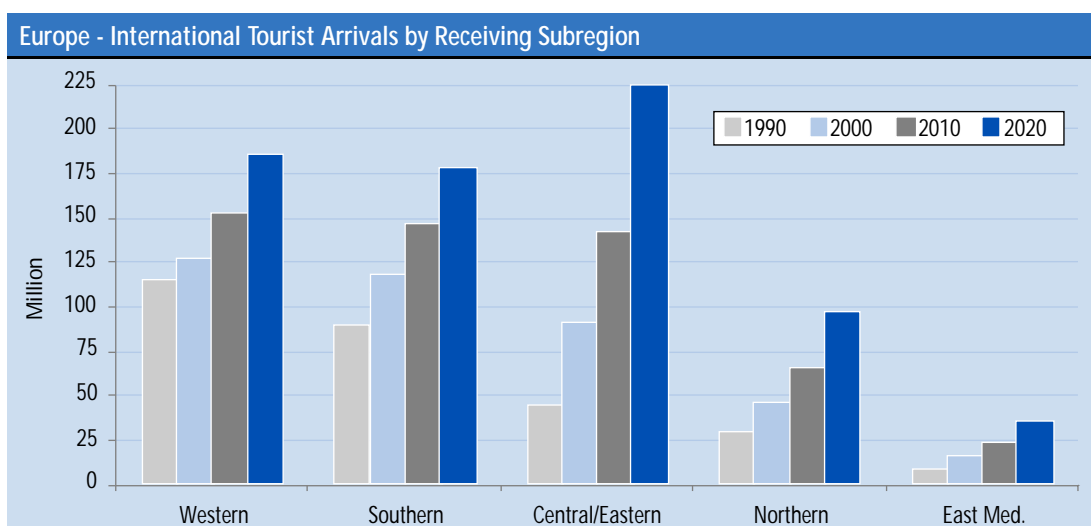
Notes: a) Intraregional includes arrivals where country of origin is not specified
b) Long-Haul is defined as everything except intraregional travel

3.2 Forecasts of Inbound Tourism to Europe

3.2.1 Overall Europe

There were over 338 million international tourist arrivals in Europe in 1995 (over 384 million in 1998), and these are expected to increase to 717 million by 2020 (Table 3.1a). This represents an annual average growth rate of 3.0 per cent for the period 1995-2020, a full percentage point below the global growth rate of 4.1 per cent.

Consequently the overall share of arrivals to the European region is expected to decrease over the forecast period from 59.8 per cent in 1995 to 45.9 per cent in 2020. East Asia and the Pacific (in particular), the Middle East, Africa and South Asia will all gain market share at Europe's expense.



The number of arrivals by subregion within Europe is shown in Table 3.2.1a. The Western Europe subregion is presently the most visited subregion in Europe, attracting 116.7 million visitors in 1995, and 131.4 million in 1998. However, the growth rate for arrivals in the Western Europe region will be the lowest in Europe over the period 1995-2020, at only 1.9 per cent per annum. Consequently it will lose market share to the other subregions. Arrivals in the Central/Eastern subregion are expected to grow the fastest, and by 2020, the Central/Eastern region will attract almost 40 million more visitors than Western Europe.

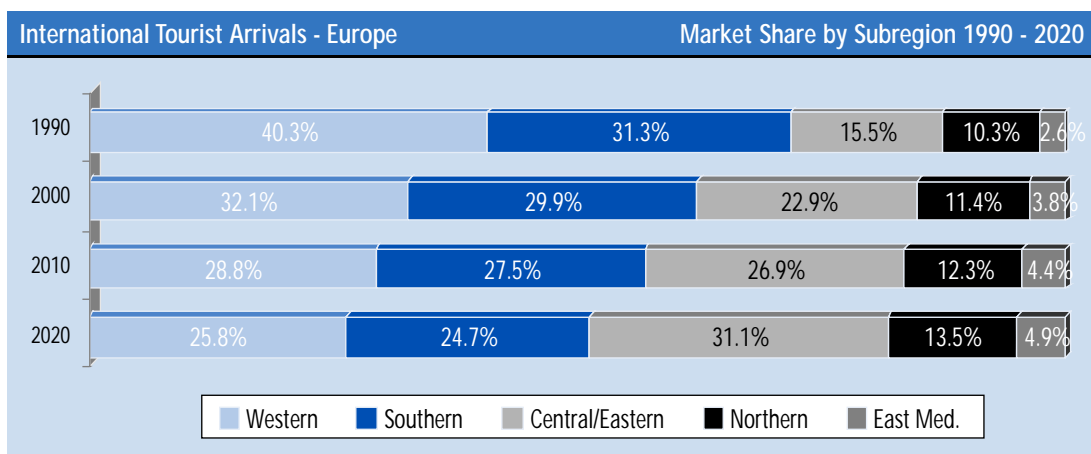


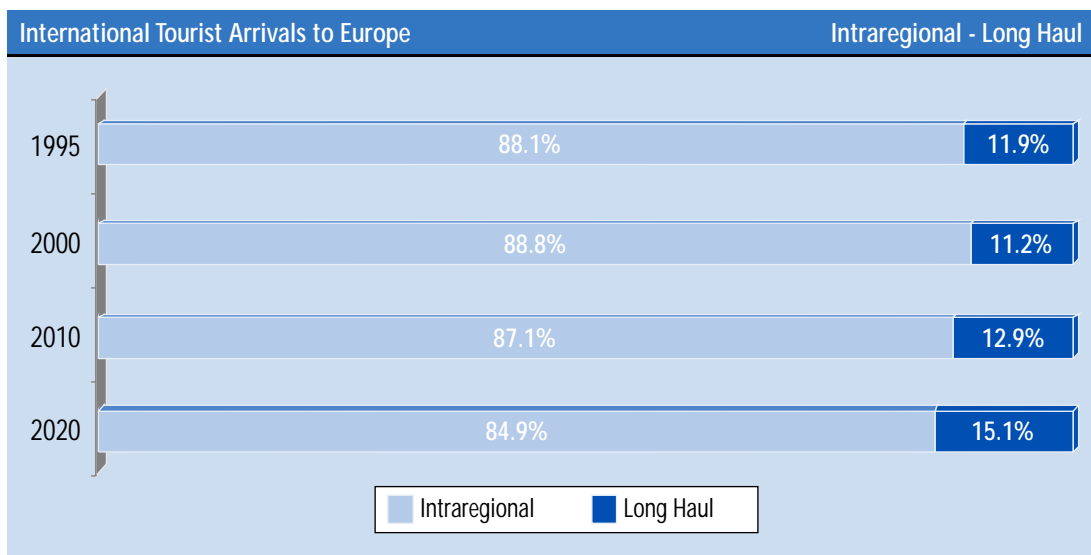
Table 3.2.1a WTO Tourism 2020 Vision: Forecast of Inbound Tourism, Europe by Subregion
International Tourist Arrivals to Europe by Tourist Receiving Subregion (million)

	Actual			Forecasts		
	1985	1990	1995	2000	2010	2020
Total Europe	212.0	282.7	338.4	393.4	527.3	717.0
Northern	24.2	29.1	37.6	44.8	65.1	96.6
Western	85.2	113.8	116.7	126.1	152.1	185.2
Central/Eastern	26.8	43.8	78.9	90.2	141.8	223.3
Southern	71.5	88.6	93.7	117.5	145.2	177.0
East Mediterranean	4.3	7.4	11.4	14.9	23.2	34.8
Intraregional	178.1	247.2	298.1	349.2	459.2	608.7
Long-Haul	34.0	35.5	40.3	44.2	68.1	108.3
Market share (%)						
Total	100	100	100	100	100	100
Northern	11.4	10.3	11.1	11.4	12.3	13.5
Western	40.2	40.3	34.5	32.1	28.8	25.8
Central/Eastern	12.6	15.5	23.3	22.9	26.9	31.1
Southern	33.7	31.3	27.7	29.9	27.5	24.7
East Mediterranean	2.0	2.6	3.4	3.8	4.4	4.9
Intraregional	84.0	87.4	88.1	88.8	87.1	84.9
Long-Haul	16.0	12.6	11.9	11.2	12.9	15.1
Average Annual Growth Rate (%)						
	Actual		Overall	Forecasts		
	1985-1990	1990-1995	Forecast 1995-2020	1995-2000	2000-2010	2010-2020
Total	5.9	3.7	3.0	3.1	3.0	3.1
Northern	3.7	5.3	3.8	3.5	3.8	4.0
Western	6.0	0.5	1.9	1.6	1.9	2.0
Central/Eastern	10.4	12.5	4.2	2.7	4.6	4.6
Southern	4.4	1.1	2.6	4.6	2.1	2.0
East Mediterranean	11.7	9.0	4.6	5.5	4.5	4.2
Intraregional	6.8	3.8	2.9	3.2	2.8	2.9
Long-Haul	0.9	2.6	4.0	1.9	4.4	4.7

Source: World Tourism Organization (WTO)

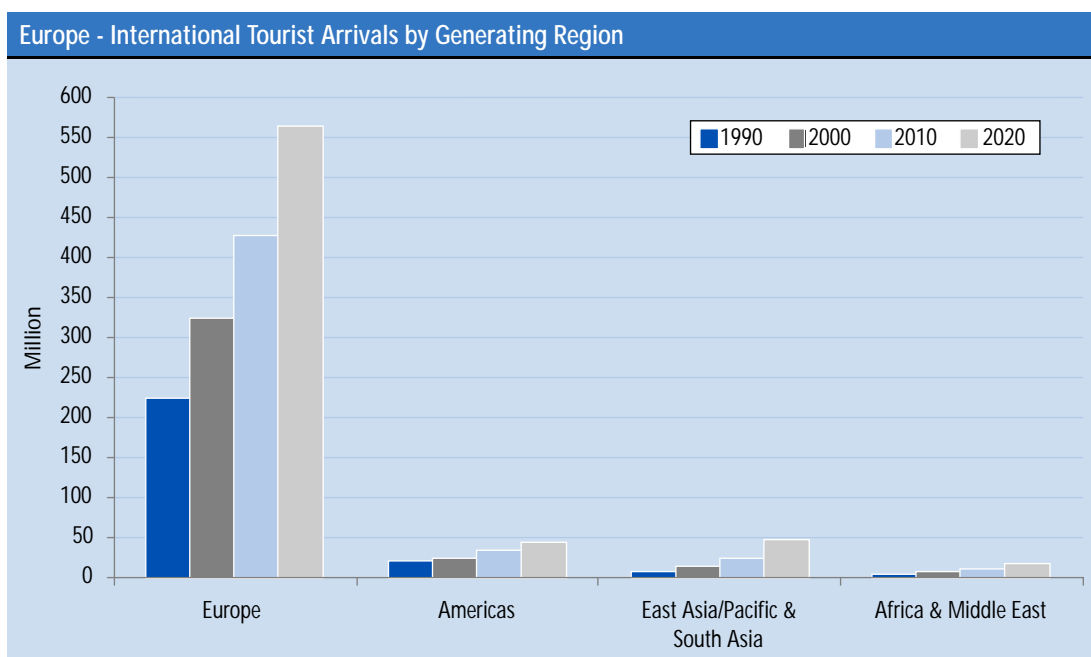
(Actual data as in WTO database July 2000)

In addition to the Central/Eastern subregion, arrivals to the East Mediterranean and Northern subregions will also grow faster than the overall average for Europe. Arrivals to the Western and Southern subregion will lose ground, with smaller growth rates than those for Europe as a whole.



Long-haul travel to Europe will grow at 4.0 per cent a year between 1995-2020 as against 2.9 per cent for intraregional travel. However, intraregional travel will still dominate European tourist arrivals in 2020 at a ratio of almost 6 to 1, if 'not specified' is included with intraregional.

The strength of intraregional travel within Europe is highlighted in Table 3.2.1b, which shows the number of international arrivals in Europe by worldwide generating region. By 2020, 564.3 million (almost 80 per cent) of all arrivals in Europe will be from the European region, a figure which rises to 608.7 million (or 85 per cent), if 'not specified' is included.



Despite the Asian financial crisis restricting the growth of Asian tourism to Europe over the period 1995-2000, strong growth from this region is expected to resume in the first two decades of the new millennium, providing the East Asia and the Pacific region with the strongest annual growth rate of arrivals to Europe over the period 1995-2020.

Africa, South Asia and the Middle East also show annual growth rates above the global average, albeit from small bases. The Americas will join intraregional tourism in losing some of its global share of arrivals to the region.

Table 3.2.1b WTO Tourism 2020 Vision: Forecast for Europe

International Tourist Arrivals to Europe by Tourist Generating Region (million)

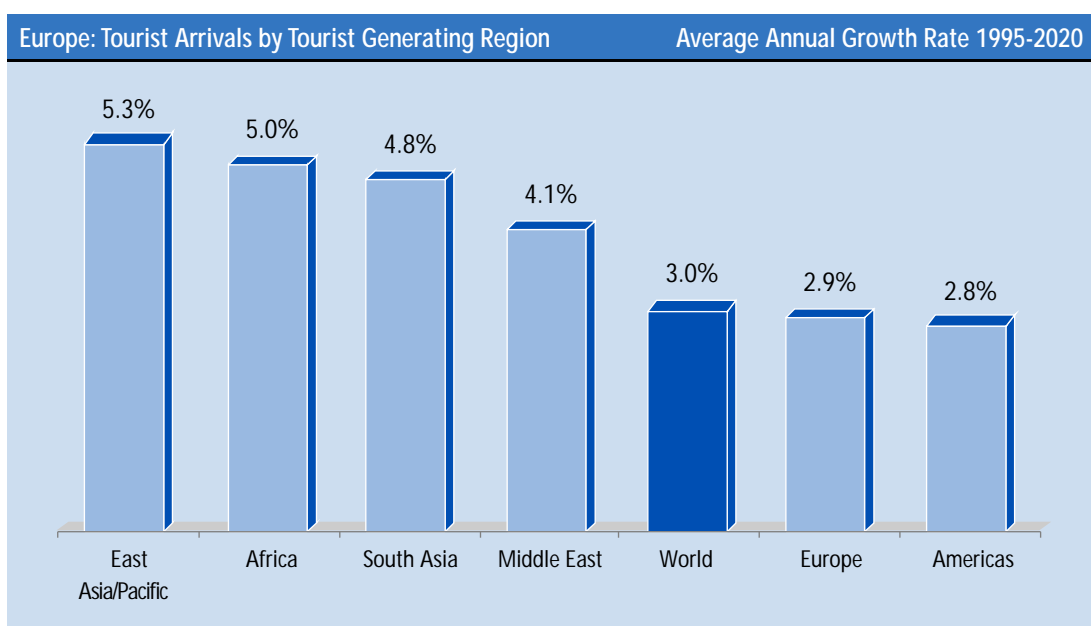
	Actual			Forecasts		
	1985	1990	1995	2000	2010	2020
Total	212.0	282.7	338.4	393.4	527.3	717.0
Africa	2.8	4.2	3.4	4.2	6.8	11.4
Americas	23.9	21.1	21.6	24.8	33.1	43.6
East Asia/Pacific	5.3	8.1	12.5	11.7	23.0	45.4
Europe	159.0	223.2	275.4	323.1	427.1	564.3
Middle East	1.6	1.5	1.9	2.4	3.6	5.3
South Asia	0.4	0.6	0.8	1.0	1.6	2.7
Not specified	19.0	24.1	22.7	26.1	32.1	44.3
Market share (%)						
Total	100	100	100	100	100	100
Africa	1.3	1.5	1.0	1.1	1.3	1.6
Americas	11.3	7.5	6.4	6.3	6.3	6.1
East Asia/Pacific	2.5	2.9	3.7	3.0	4.4	6.3
Europe	75.0	78.9	81.4	82.1	81.0	78.7
Middle East	0.7	0.5	0.6	0.6	0.7	0.7
South Asia	0.2	0.2	0.2	0.3	0.3	0.4
Not specified	9.0	8.5	6.7	6.6	6.1	6.2
Average Annual Growth Rate (%)						
	Actual		Overall Forecast	Forecasts		
	1985-1990	1990-1995	1995-2020	1995-2000	2000-2010	2010-2020
Total	5.9	3.7	3.0	3.1	3.0	3.1
Africa	8.1	-4.1	5.0	4.6	4.8	5.3
Americas	-2.4	0.5	2.8	2.8	2.9	2.8
East Asia/Pacific	8.8	9.1	5.3	-1.4	7.0	7.0
Europe	7.0	4.3	2.9	3.2	2.8	2.8
Middle East	-0.2	4.5	4.1	4.8	4.0	3.9
South Asia	8.0	7.0	4.8	4.1	4.9	5.0
Not specified	4.8	-1.2	2.7	2.8	2.1	3.3

Source: World Tourism Organization (WTO)

3.2.2 European Subregions

All Subregions

The overall growth rate for all international arrivals to Europe over the forecast period is just 3 per cent (Table 3.2.2a). Taking the individual generating regions, East Asia and the Pacific will record the highest growth rate over the period (5.3 per cent) with Africa the second highest (5.0 per cent), largely on account of strong growth from the Southern Africa subregion. Both South Asia and the Middle East will also perform better than the global average.



Arrivals from the Americas and Europe (that is intraregional arrivals) will grow at a rate below the global average. However, within Europe the subregions Central/Eastern Europe and East Mediterranean Europe will show above average growth (both at an average annual rate of 4% in the period 1995-2020). Within Americas the same applies for South America (4.9%) and Central America (5.0%, from a small base).

Table 3.2.2a WTO Tourism 2020 Vision: Forecast for Europe

International Tourist Arrivals by Tourist Generating Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	338,382	393,410	527,286	716,999	3.0	3.0	3.1
Africa	3,379	4,239	6,787	11,397	5.0	4.8	5.3
North	1,846	2,143	2,820	3,649	2.8	2.8	2.6
West	140	170	231	308	3.2	3.1	2.9
Central	24	28	37	48	2.7	2.7	2.6
East	145	183	252	339	3.4	3.3	3.0
Southern	446	808	2,297	5,625	10.7	11.0	9.4
Other Africa	777	907	1,150	1,429	2.5	2.4	2.2
Americas	21,630	24,785	33,071	43,619	2.8	2.9	2.8
North	18,329	20,586	26,367	33,169	2.4	2.5	2.3
Caribbean	103	116	148	185	2.4	2.5	2.3
Central	84	109	180	288	5.0	5.2	4.8
South	1,888	2,439	3,949	6,238	4.9	4.9	4.7
Other Americas	1,226	1,536	2,428	3,739	4.6	4.7	4.4
East Asia/Pacific	12,539	11,714	23,029	45,367	5.3	7.0	7.0
North-East	7,496	7,112	14,121	29,103	5.6	7.1	7.5
South-East	513	428	1,110	3,447	7.9	10.0	12.0
Australasia	2,128	2,344	4,198	6,837	4.8	6.0	5.0
Other East Asia/Pacific	2,402	1,831	3,601	5,978	3.7	7.0	5.2
Europe	275,381	323,103	427,084	564,349	2.9	2.8	2.8
Northern	53,287	60,558	77,988	98,272	2.5	2.6	2.3
Western	135,705	157,189	204,507	265,595	2.7	2.7	2.6
Central/Eastern	42,330	51,637	75,916	112,216	4.0	3.9	4.0
Southern	34,500	40,446	49,218	60,066	2.2	2.0	2.0
East Mediterranean	2,707	3,190	4,775	7,158	4.0	4.1	4.1
Other Europe	6,852	8,535	13,507	21,042	4.6	4.7	4.5
Middle East	1,934	2,444	3,602	5,265	4.1	4.0	3.9
South Asia	827	1,011	1,633	2,668	4.8	4.9	5.0
Not Specified	22,691	26,113	32,079	44,335	2.7	2.1	3.3
Intraregional	298,072	349,216	459,163	608,684	2.9	2.8	2.9
Long-Haul	40,310	44,194	68,123	108,315	4.0	4.4	4.7

Source: World Tourism Organization (WTO)

Northern Europe

The Northern European subregion in Europe will maintain an annual growth rate of tourist arrivals (3.8 per cent) above the overall European growth rate (3.0 per cent) over the period 1995 to 2020. Arrivals from Southern Africa and Central/Eastern Europe will show the largest growth rates over the forecast period, reflecting the emerging generating countries of South Africa, Russian Federation and other eastern European countries (Table 3.2.2b). Less impressive but more solid growth from a large base will be provided from the Western European subregion. The intraregional (including 'not specified') : long-haul ratio will change during the period 1995-2020 from 76:24 to 72:28. Strong recovery from 2000 onward is reflected in the forecasts from all East Asia and the Pacific subregions.

Table 3.2.2b WTO Tourism 2020 Vision: Forecast for Northern Europe
International Tourist Arrivals by Tourist Generating Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	37,641	44,793	65,074	96,595	3.8	3.8	4.0
Africa	552	909	2,255	5,190	9.4	9.5	8.7
North	50	73	144	271	7.0	7.0	6.5
West	95	118	162	218	3.4	3.3	3.0
East	133	168	231	310	3.4	3.2	3.0
Southern	243	513	1,666	4,321	12.2	12.5	10.0
Other Africa	31	38	52	70	3.3	3.2	3.0
Americas	5,234	5,890	7,337	8,945	2.2	2.2	2.0
North	4,914	5,492	6,741	8,058	2.0	2.1	1.8
Caribbean	62	69	82	95	1.7	1.7	1.5
South	182	244	411	669	5.3	5.3	5.0
Other Americas	76	84	103	123	2.0	2.0	1.8
East Asia/Pacific	2,498	2,445	4,841	9,943	5.7	7.1	7.5
North-East	1,209	1,150	2,283	4,706	5.6	7.1	7.5
South-East	332	278	721	2,240	7.9	10.0	12.0
Australasia	841	929	1,663	2,709	4.8	6.0	5.0
Other East Asia/Pacific	115	88	173	288	3.7	7.0	5.2
Europe	26,059	31,496	45,436	64,671	3.7	3.7	3.6
Northern	9,449	10,954	14,382	18,410	2.7	2.8	2.5
Western	12,716	15,471	22,399	31,596	3.7	3.8	3.5
Central/Eastern	843	1,354	3,252	7,021	8.8	9.2	8.0
Southern	2,412	2,934	4,252	5,998	3.7	3.8	3.5
East Mediterranean	80	102	162	252	4.7	4.8	4.5
Other Europe	560	682	989	1,395	3.7	3.8	3.5
Middle East	661	804	1,108	1,489	3.3	3.3	3.0
South Asia	269	369	734	1,377	6.8	7.1	6.5
Not Specified	2,368	2,881	3,364	4,979	3.0	1.6	4.0
Intraregional	28,427	34,377	48,800	69,650	3.6	3.6	3.6
Long-Haul	9,214	10,416	16,275	26,944	4.4	4.6	5.2

Source: World Tourism Organization (WTO)

Western Europe

The Western Europe subregion will experience the lowest growth rate of all the European subregions over the forecast period (only 1.9 per cent a year). This reflects the high degree of maturity of most of its constituent countries as tourism destinations for fellow Europeans. However, there will be strong growth from Southern Africa, North-East Asia, and Central/Eastern Europe (Table 3.2.2c). The intraregional (including 'not specified') : long-haul ratio will change from 86:14 in 1995 to 79:21 in 2020.

Table 3.2.2c WTO Tourism 2020 Vision: Forecast for Western Europe
International Tourist Arrivals by Tourist Generating Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	116,747	126,101	152,105	185,241	1.9	1.9	2.0
Africa	1,391	1,626	2,150	2,885	3.0	2.8	3.0
North	599	678	847	1,032	2.2	2.3	2.0
West	258	305	381	465	2.4	2.3	2.0
East	268	317	396	483	2.4	2.3	2.0
Southern	89	131	282	609	8.0	8.0	8.0
Other Africa	177	196	244	297	2.1	2.2	2.0
Americas	8,584	9,551	12,204	15,383	2.4	2.5	2.3
North	7,123	7,700	9,231	10,713	1.6	1.8	1.5
Central	28	36	60	98	5.2	5.3	5.0
South	308	393	640	1,043	5.0	5.0	5.0
Other Americas	1,126	1,422	2,273	3,530	4.7	4.8	4.5
East Asia/Pacific	5,771	5,205	10,170	19,203	4.9	6.9	6.6
North-East	3,114	2,962	5,880	12,120	5.6	7.1	7.5
Australasia	630	696	1,246	2,029	4.8	6.0	5.0
Other East Asia/Pacific	2,026	1,547	3,044	5,054	3.7	7.0	5.2
Europe	94,422	102,293	118,242	136,004	1.5	1.5	1.4
Northern	20,156	22,782	28,487	34,726	2.2	2.3	2.0
Western	55,613	58,478	63,078	66,304	0.7	0.8	0.5
Central/Eastern	2,481	3,817	7,543	14,160	7.2	7.1	6.5
Southern	13,681	14,378	15,525	16,319	0.7	0.8	0.5
East Mediterranean	474	498	537	565	0.7	0.8	0.5
Other Europe	2,018	2,340	3,072	3,932	2.7	2.8	2.5
Middle East	465	662	1,053	1,636	5.2	4.8	4.5
South Asia	318	366	484	620	2.7	2.8	2.5
Not Specified	5,796	6,399	7,801	9,509	2.0	2.0	2.0
Intraregional	100,218	108,693	126,043	145,514	1.5	1.5	1.4
Long-Haul	16,529	17,409	26,062	39,727	3.6	4.1	4.3

Source: World Tourism Organization (WTO)

Central/Eastern Europe

Arrivals in the Central/Eastern subregion of Europe will grow faster (at 4.2 per cent a year) than the overall rate for arrivals to Europe over the period 1995 to 2020. Arrivals from North America, and from Northern and Western Europe, will be particularly strong over the forecast period, all from large bases (Table 3.2.2d). There will also be strong growth from the South American and North-East Asian subregional markets, albeit from smaller bases. Intra-regional arrivals (including those from 'not specified' origins) totally dominate tourism in Central/Eastern Europe, accounting for 96 per cent of total international arrivals in 2020, just a single percentage point fall over 25 years.

Growth rates are likely to accelerate after 2000 as more and better standard infrastructure and facilities are developed, and marketing activities create a more positive perception among prospective intra-regional and long-haul tourist-generating markets.

Table 3.2.2d WTO Tourism 2020 Vision: Forecast for Central/Eastern Europe
International Tourist Arrivals by Tourist Generating Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	78,941	90,152	141,793	223,308	4.2	4.6	4.6
Africa	68	79	125	195	4.3	4.7	4.6
North	15	17	25	35	3.5	3.7	3.5
Other Africa	53	62	100	160	4.5	4.9	4.8
Americas	982	1,302	2,485	4,245	6.0	6.7	5.5
North	910	1,212	2,315	3,954	6.1	6.7	5.5
South	41	53	99	168	5.8	6.5	5.5
Other Americas	31	38	72	123	5.6	6.5	5.5
East Asia/Pacific	1,129	999	1,992	4,055	5.2	7.1	7.4
North-East	835	761	1,510	3,113	5.4	7.1	7.5
South-East	49	39	102	316	7.7	10.0	12.0
Australasia	63	66	119	193	4.6	6.0	5.0
Other East Asia/Pacific	181	133	261	433	3.5	7.0	5.2
Europe	73,378	83,658	132,017	206,342	4.2	4.7	4.6
Northern	3,004	3,940	7,204	12,375	5.8	6.2	5.6
Western	22,757	24,647	44,510	76,584	5.0	6.1	5.6
Central/Eastern	37,744	42,616	58,574	80,682	3.1	3.2	3.3
Southern	5,426	6,629	10,985	17,979	4.9	5.2	5.0
East Mediterranean	1,564	1,910	3,205	5,220	4.9	5.3	5.0
Other Europe	2,883	3,916	7,539	13,502	6.4	6.8	6.0
Middle East	155	182	269	439	4.2	4.0	5.0
South Asia	144	164	264	472	4.9	4.9	6.0
Not Specified	3,084	3,768	4,640	7,559	3.7	2.1	5.0
Intra-regional	76,462	87,426	136,658	213,901	4.2	4.6	4.6
Long-Haul	2,479	2,726	5,135	9,407	5.5	6.5	6.2

Source: World Tourism Organization (WTO)

Southern Europe

The Southern Europe region will experience the second lowest growth rate of all the European subregions in Europe over the forecast period (only 2.6 per cent a year). This is principally due to low growth rates from all of the European subregions (with the exception of Central/Eastern Europe) after the millennium, reflecting the maturity of the subregion's destinations and the European consumer's increasing preference to travel further afield (Table 3.2.2e). There will be strong growth rates from the East Asia and the Pacific region, and in particular the South-East Asia subregion.

Arrivals from South America will show strong growth rates over the forecast period from a relatively large base, and there will also be large growth from Southern Africa, albeit from a smaller base. The intraregional (including 'not specified'): long-haul ratio will change from 89:11 in 1995 to 86:14 by 2020.

Long-Haul Tourism as % of Total International Arrivals, 1995-2020

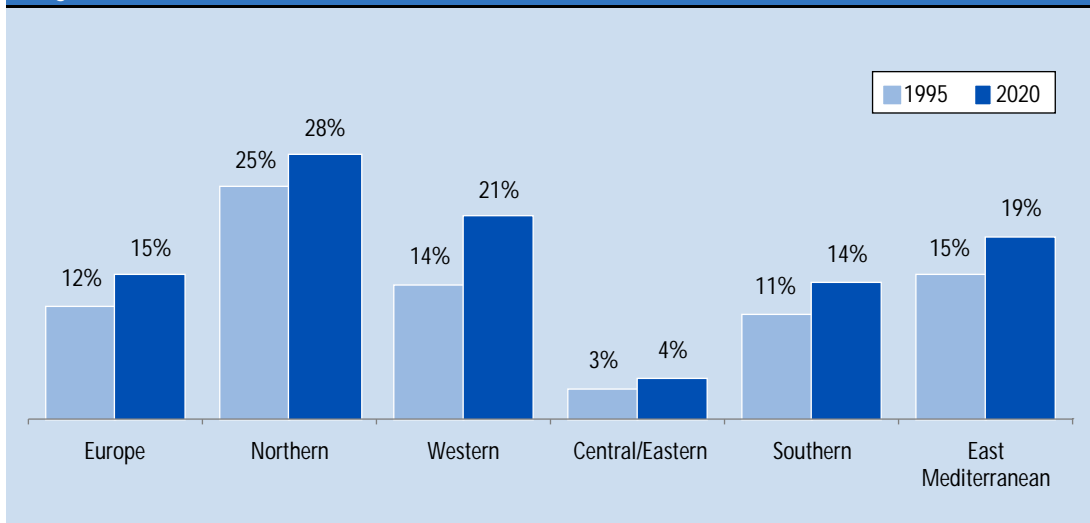


Table 3.2.2e WTO Tourism 2020 Vision: Forecast for Southern Europe
International Tourist Arrivals by Tourist Generating Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	93,655	117,453	145,155	177,037	2.6	2.1	2.0
Africa	1,310	1,542	2,087	2,789	3.1	3.1	2.9
North	1,175	1,371	1,798	2,302	2.7	2.8	2.5
West	23	26	32	40	2.2	2.2	2.0
Central	10	12	15	18	2.2	2.3	2.0
Southern	76	104	205	385	6.7	7.0	6.5
Other Africa	26	29	37	45	2.2	2.2	2.0
Americas	5,961	6,868	8,932	11,449	2.6	2.7	2.5
North	4,594	5,104	6,131	7,115	1.8	1.9	1.5
Caribbean	31	33	40	46	1.7	1.9	1.5
Central	45	57	91	141	4.7	4.8	4.5
South	1,282	1,662	2,651	4,117	4.8	4.8	4.5
Other Americas	9	12	19	30	4.7	4.7	4.5
East Asia/Pacific	2,790	2,726	5,353	10,777	5.6	7.0	7.2
North-East	2,069	1,980	3,931	8,103	5.6	7.1	7.5
South-East	110	93	241	749	8.0	10.0	12.0
Australasia	536	596	1,067	1,738	4.8	6.0	5.0
Other East Asia/Pacific	74	58	113	188	3.8	6.9	5.2
Europe	75,169	96,948	118,050	138,932	2.5	2.0	1.6
Northern	18,391	21,981	25,526	28,261	1.7	1.5	1.0
Western	40,875	54,509	68,819	83,989	2.9	2.4	2.0
Central/Eastern	1,570	2,431	3,599	5,075	4.8	4.0	3.5
Southern	12,326	15,831	17,486	18,567	1.7	1.0	0.6
East Mediterranean	572	601	715	830	1.5	1.8	1.5
Other Europe	1,436	1,596	1,904	2,210	1.7	1.8	1.5
Middle East	250	282	353	430	2.2	2.3	2.0
South Asia	54	63	84	107	2.8	2.9	2.5
Not Specified	8,121	9,023	10,297	12,552	1.8	1.3	2.0
Intraregional	83,290	105,972	128,347	151,484	2.4	1.9	1.7
Long-Haul	10,365	11,482	16,808	25,553	3.7	3.9	4.3

Source: World Tourism Organization (WTO)

East Mediterranean Europe

The East Mediterranean subregion will experience the highest growth rate of all the European subregions over the forecast period (4.6 per cent a year). Arrivals from Africa and the Americas will generate the highest growth rates, followed by East Asia and the Pacific. Strongest generating subregions will be Southern Africa, South-East Asia and Central/Eastern Europe (Table 3.2.2f). Some tapering off of growth rates will occur over the forecast period as the destinations reach maturity. The intraregional (including 'not specified') : long-haul ratio will change from 85:15 in 1995 to 81:19 in 2020.

Table 3.2.2f WTO Tourism 2020 Vision: Forecast for East Mediterranean Europe
International Tourist Arrivals by Tourist Generating Region and Subregion

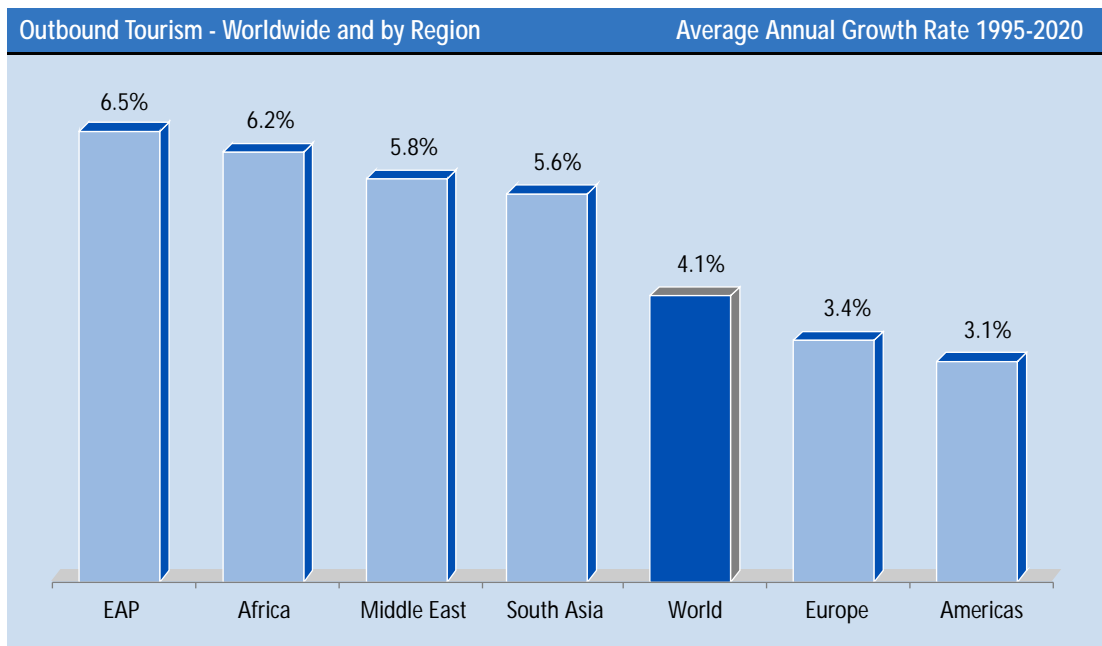
	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	11,398	14,910	23,160	34,819	4.6	4.5	4.2
Africa	57	83	170	337	7.3	7.4	7.1
West	14	17	25	35	3.7	3.7	3.5
Southern	34	55	130	281	8.8	9.0	8.0
Other Africa	9	11	15	20	3.3	3.4	3.2
Americas	869	1,175	2,113	3,596	5.8	6.0	5.5
North	794	1,078	1,949	3,329	5.9	6.1	5.5
South	68	88	148	242	5.2	5.4	5.0
Other Americas	7	9	16	26	5.2	5.5	5.0
East Asia/Pacific	352	340	674	1,388	5.6	7.1	7.5
North-East Asia	273	260	516	1,063	5.6	7.1	7.5
South-East Asia	21	18	46	142	7.9	10.0	12.0
Australasia	52	58	103	168	4.8	6.0	5.0
Other East Asia/Pacific	6	5	9	15	3.8	6.8	5.2
Europe	6,352	8,708	13,339	18,399	4.3	4.4	3.3
Northern	1,784	2,449	3,563	4,499	3.8	3.8	2.4
Western	3,148	4,085	5,702	7,122	3.3	3.4	2.2
Central/Eastern	888	1,420	2,948	5,279	7.4	7.6	6.0
Southern	476	673	969	1,203	3.8	3.7	2.2
East Mediterranean	55	79	156	291	6.9	7.1	6.5
Other Europe	2	2	3	4	3.7	3.7	3.5
Middle East	403	514	819	1,271	4.7	4.8	4.5
South Asia	42	49	68	91	3.2	3.3	3.0
Not Specified	3,322	4,041	5,977	9,736	4.4	4.0	5.0
Intraregional	9,674	12,749	19,316	28,135	4.4	4.2	3.8
Long-Haul	1,724	2,161	3,843	6,684	5.6	5.9	5.7

Source: World Tourism Organization (WTO)

3.3 Forecast of Outbound Tourism from Europe

3.3.1 Overall Europe

The *Tourism 2020 Vision* study forecasts that there will be over 729 million outbound tourist arrivals generated from Europe in the year 2020 (Table 3.3.1a). This represents an annual growth rate over the period 1995 to 2020 of 3.4 per cent, over half a percentage point below the global average of 4.1 per cent.



Whilst Europe will remain the world's largest tourist generating region by some considerable magnitude, it is losing its global market share. In 1995, around 55 per cent of all outbound tourists were from Europe. However, by 2020 this will decline to around 47 per cent due to the emerging importance of the developing world (especially East Asia and the Pacific) as tourist generating regions.

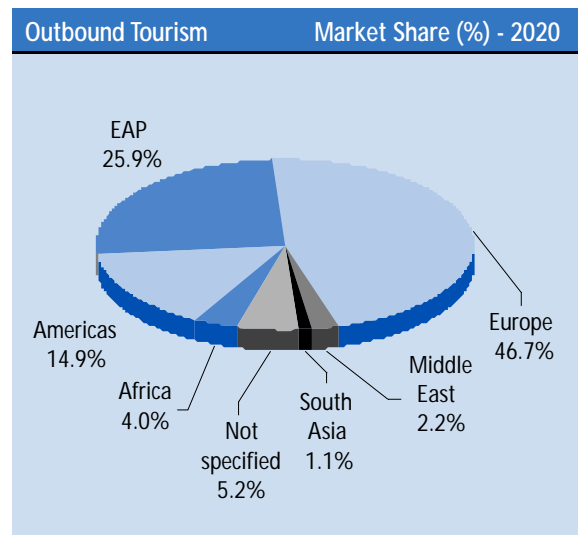
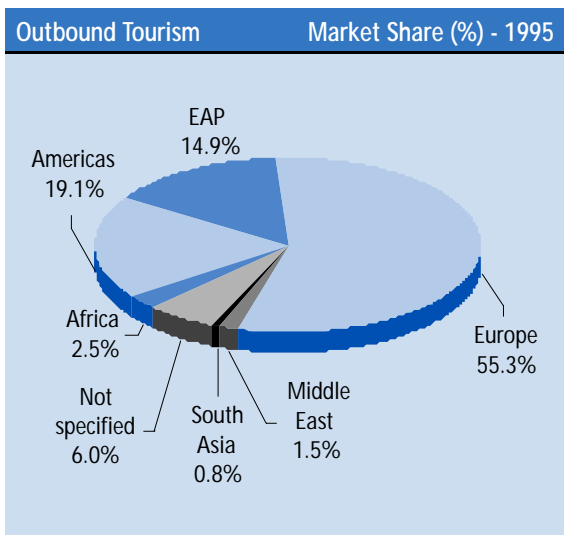
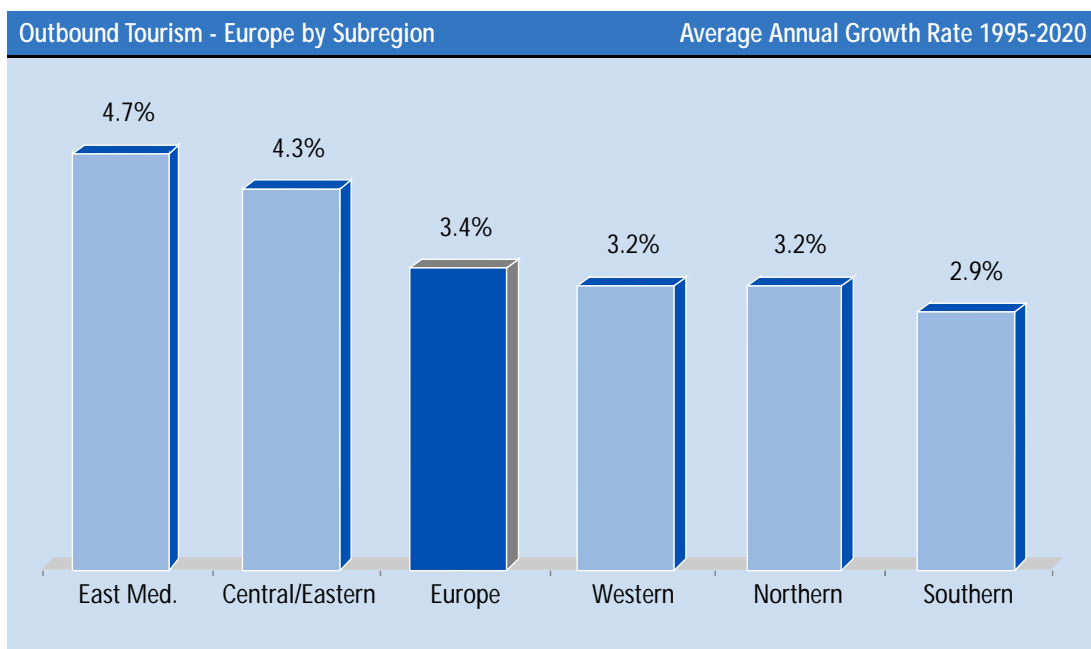


Table 3.3.1a WTO Tourism 2020 Vision: Forecast of Outbound Tourism, World by Region
International Tourist Arrivals from the World by Tourist Generating Region (million)

	Actual		Forecasts		
	1985	1995	2000	2010	2020
Total	327.1	565.4	667.7	1,006.4	1,561.1
Africa	6.3	13.9	20.3	36.4	62.3
Americas	82.3	107.8	127.3	172.7	232.1
East Asia/Pacific	30.5	84.3	88.5	193.2	404.9
Europe	174.3	312.6	373.5	519.9	728.7
Middle East	4.4	8.6	12.1	20.6	35.1
South Asia	3.7	4.3	5.8	9.9	16.9
Not specified	25.7	33.9	40.1	53.8	81.2
Intraregional	266.3	464.1	544.1	790.9	1,183.3
Long-Haul	60.8	101.3	123.7	215.5	377.9
Market share (%)					
Total	100	100	100	100	100
Africa	1.9	2.5	3.0	3.6	4.0
Americas	25.1	19.1	19.1	17.2	14.9
East Asia/Pacific	9.3	14.9	13.3	19.2	25.9
Europe	53.3	55.3	55.9	51.7	46.7
Middle East	1.4	1.5	1.8	2.0	2.2
South Asia	1.1	0.8	0.9	1.0	1.1
Not specified	7.9	6.0	6.0	5.3	5.2
Intraregional	81.4	82.1	81.5	78.6	75.8
Long-Haul	18.6	17.9	18.5	21.4	24.2
Average Annual Growth Rate (%)					
	Actual	Overall	Forecasts		
	1985-1995	Forecast 1995-2020	1995-2000	2000-2010	2010-2020
Total	5.6	4.1	3.4	4.2	4.5
Africa	8.3	6.2	7.9	6.0	5.5
Americas	2.7	3.1	3.4	3.1	3.0
East Asia/Pacific	10.7	6.5	1.0	8.1	7.7
Europe	6.0	3.4	3.6	3.4	3.4
Middle East	6.9	5.8	7.0	5.4	5.5
South Asia	1.7	5.6	6.2	5.4	5.5
Not specified	2.8	3.6	3.5	3.0	4.2
Intraregional	5.7	3.8	3.2	3.8	4.1
Long-Haul	5.2	5.4	4.1	5.7	5.8

Source: World Tourism Organization (WTO)

Western Europe will remain the largest generating subregion within Europe over the forecast period, generating almost 338 million tourists by the year 2020 (Table 3.3.1b). However, overall growth rate of the Western subregion will under-perform the European average slightly. The East Mediterranean subregion will show the largest growth rate of outbound tourists over the forecast period, with 4.7 per cent a year.



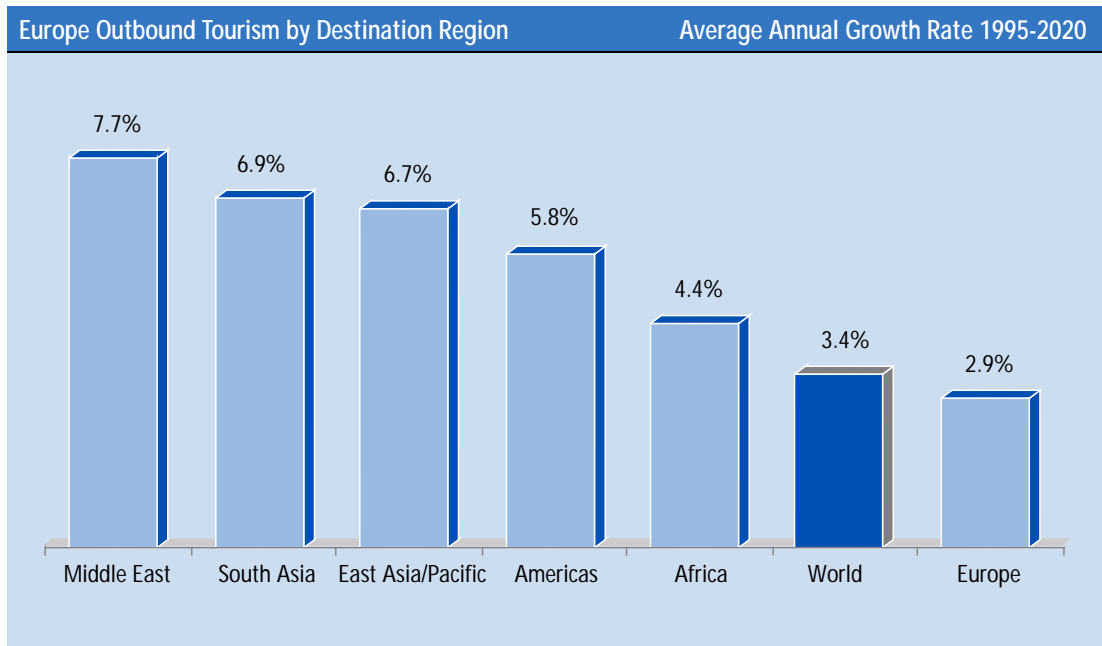
Long-haul travel from Europe will grow at over double the rate of intraregional travel between 1995 and 2020. In 1995, 12 per cent of all travel from Europe was long-haul. By 2020, this will increase to almost 23 per cent.

**Table 3.3.1b WTO Tourism 2020 Vision: Forecast of Outbound Tourism, Europe by Subregion
International Tourist Arrivals from Europe by Tourist Generating Subregion (million)**

	Actual		Forecasts		
	1985	1995	2000	2010	2020
Total Europe	174.3	312.6	373.5	519.9	728.7
Northern	38.8	64.2	75.7	104.0	141.7
Western	90.6	152.4	179.4	245.3	337.7
Central/Eastern	19.9	44.6	55.6	84.2	129.0
Southern	19.7	39.1	47.1	60.7	79.0
East Mediterranean	2.1	3.8	4.6	7.5	11.9
Other Europe	3.2	8.6	11.0	18.2	29.3
Intraregional	159.0	275.4	323.1	427.1	564.3
Long-Haul	15.3	37.2	50.4	92.8	164.4
Market share (%)					
Total	100	100	100	100	100
Northern	22.3	20.5	20.3	20.0	19.4
Western	52.0	48.8	48.0	47.2	46.3
Central/Eastern	11.4	14.3	14.9	16.2	17.7
Southern	11.3	12.5	12.6	11.7	10.8
East Mediterranean	1.2	1.2	1.2	1.4	1.6
Other Europe	1.8	2.8	3.0	3.5	4.0
Intraregional	91.2	88.1	86.5	82.1	77.4
Long-Haul	8.8	11.9	13.5	17.9	22.6
Average Annual Growth Rate (%)					
	Actual		Forecasts		
	1985-1995	Overall Forecast 1995-2020	1995-2000	2000-2010	2010-2020
Total	6.0	3.4	3.6	3.4	3.4
Northern	5.2	3.2	3.4	3.2	3.1
Western	5.3	3.2	3.3	3.2	3.2
Central/Eastern	8.4	4.3	4.5	4.2	4.4
Southern	7.1	2.9	3.8	2.6	2.7
East Mediterranean	5.9	4.7	4.3	4.9	4.8
Other Europe	10.4	5.0	5.1	5.1	4.9
Intraregional	5.6	2.9	3.2	2.8	2.8
Long-Haul	9.3	6.1	6.2	6.3	5.9

Source: World Tourism Organization (WTO)

Outbound travel from Europe to other European destinations (intra-regional travel) will dominate total European tourist departures over the forecast period. By 2020, over 564 million tourists will travel within the Europe region (Table 3.3.1c). However, the growth of intra-regional European travel (2.9 per cent a year) is below the overall growth rate for outbound travel by Europeans for the period 1995-2020 (3.4 per cent a year).



The Middle East can expect to experience the highest growth rate of European arrivals (7.7 per cent a year over the forecast period). However, European arrivals to South Asia, East Asia and the Pacific, the Americas and Africa will also grow at above the overall European outbound rate.

Table 3.3.1c WTO Tourism 2020 Vision: Forecast of Outbound Tourism from Europe
International Tourist Arrivals from Europe by Tourist Receiving Region (million)

	Actual		Forecasts		
	1985	1995	2000	2010	2020
Total	174.3	312.6	373.5	519.9	728.7
Africa	4.1	6.6	8.0	12.7	19.6
Americas	5.9	15.9	21.3	38.3	65.5
East Asia/Pacific	3.3	9.4	13.3	25.4	47.6
Europe	159.0	275.4	323.1	427.1	564.3
Middle East	1.2	3.4	5.1	11.0	21.7
South Asia	0.8	1.9	2.6	5.4	9.9
Market share (%)					
Total	100	100	100	100	100
Africa	2.4	2.1	2.1	2.4	2.7
Americas	3.4	5.1	5.7	7.4	9.0
East Asia/Pacific	1.9	3.0	3.6	4.9	6.5
Europe	91.2	88.1	86.5	82.1	77.4
Middle East	0.7	1.1	1.4	2.1	3.0
South Asia	0.5	0.6	0.7	1.0	1.4
Average Annual Growth Rate (%)					
	Actual 1985-1995	Overall Forecast 1995-2020	Forecasts		
			1995-2000	2000-2010	2010-2020
Total	6.0	3.4	3.6	3.4	3.4
Africa	4.9	4.4	3.7	4.7	4.5
Americas	10.4	5.8	6.0	6.0	5.5
East Asia/Pacific	11.1	6.7	7.2	6.7	6.5
Europe	5.6	2.9	3.2	2.8	2.8
Middle East	11.2	7.7	8.8	8.0	7.0
South Asia	8.8	6.9	7.0	7.4	6.3

Source: World Tourism Organization (WTO)

3.3.2 Outbound to Global Subregions

All Subregions

Subregions which are expected to receive the strongest growth rates of European arrivals over the forecast period include South America, Southern Africa, and all of the East Asia and the Pacific subregions (Table 3.3.2a).

Whilst the growth of intraregional travel will be below the overall average (3.4 per cent) during the period 1995 to 2020, Central/Eastern Europe and East Mediterranean Europe will perform better than the average with annual growth rates of 4.2 and 4.3 per cent respectively, as will Northern Europe with 3.7 per cent.

**Table 3.3.2a WTO Tourism 2020 Vision: Forecast of Outbound Tourism from Europe
International Tourist Arrivals by Tourist Receiving Region and Subregion**

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	312,593	373,472	519,913	728,730	3.4	3.4	3.4
Africa	6,644	7,982	12,694	19,621	4.4	4.7	4.5
North	3,660	4,211	6,060	8,888	3.6	3.7	3.9
West	662	800	1,113	1,545	3.4	3.4	3.3
Central	94	94	120	146	1.8	2.4	2.0
East	1,402	1,637	2,729	4,226	4.5	5.2	4.5
Southern	826	1,239	2,671	4,816	7.3	8.0	6.1
Americas	15,901	21,306	38,282	65,500	5.8	6.0	5.5
North	11,584	14,836	25,116	40,422	5.1	5.4	4.9
Caribbean	2,131	3,031	6,016	11,161	6.8	7.1	6.4
Central	399	538	1,080	2,015	6.7	7.2	6.4
South	1,787	2,901	6,070	11,903	7.9	7.7	7.0
East Asia/Pacific	9,416	13,309	25,419	47,623	6.7	6.7	6.5
North-East	3,924	5,496	10,776	20,880	6.9	7.0	6.8
South-East	4,268	6,077	11,399	20,829	6.5	6.5	6.2
Australasia	1,021	1,446	2,714	4,973	6.5	6.5	6.2
Mela-/Micro-/Polynesia	203	290	530	941	6.3	6.2	5.9
Europe	275,381	323,103	427,084	564,349	2.9	2.8	2.8
Northern	26,059	31,496	45,436	64,671	3.7	3.7	3.6
Western	94,422	102,293	118,242	136,004	1.5	1.5	1.4
Central/Eastern	73,378	83,658	132,017	206,342	4.2	4.7	4.6
Southern	75,169	96,948	118,050	138,932	2.5	2.0	1.6
East Mediterranean	6,352	8,708	13,339	18,399	4.3	4.4	3.3
Middle East	3,375	5,134	11,044	21,726	7.7	8.0	7.0
South Asia	1,877	2,638	5,390	9,909	6.9	7.4	6.3
Intraregional	275,381	323,103	427,084	564,349	2.9	2.8	2.8
Long-Haul	37,212	50,369	92,829	164,380	6.1	6.3	5.9

Source: World Tourism Organization (WTO)

Northern Europe

Some of the largest annual average growth rates from the Northern Europe subregion are likely to be achieved to East Asia and the Pacific subregions (6.5 per cent), which will grow at twice the overall out-bound rate of 3.2 per cent a year for Northern Europeans over the forecast period (Table 3.3.2b).

However, growth rates of 6 per cent a year and over will also be achieved over the forecast period by arrivals from Northern Europe to Southern Africa, Caribbean, Central America, Middle East and South Asia (all from small bases) and Central/Eastern Europe (from a larger base).

Northern European travellers will record nearly 31 per cent of their arrivals in long-haul destinations in 2020, almost double the 17 per cent of 1995.

**Table 3.3.2b WTO Tourism 2020 Vision: Forecast of Outbound Tourism from Northern Europe
International Tourist Arrivals by Tourist Receiving Region and Subregion**

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall	2000-2010	2010-2020
	1995	2000	2010	2020	1995-2020		
Total	64,161	75,693	104,039	141,680	3.2	3.2	3.1
Africa	1,325	1,629	2,768	4,357	4.9	5.4	4.6
North	499	561	765	1,022	2.9	3.1	2.9
West	98	111	149	199	2.9	3.0	2.9
East	366	403	673	1,038	4.3	5.3	4.4
Southern	357	548	1,175	2,090	7.3	7.9	5.9
Other Africa	5	5	6	8	1.6	2.0	1.9
Americas	5,172	6,495	10,525	16,320	4.7	4.9	4.5
North	4,322	5,300	8,180	12,030	4.2	4.4	3.9
Caribbean	570	802	1,530	2,723	6.5	6.7	5.9
Central	54	73	142	252	6.4	6.9	5.9
South	227	320	673	1,314	7.3	7.7	6.9
East Asia/Pacific	3,140	4,421	8,265	15,126	6.5	6.5	6.2
North-East	1,094	1,541	2,880	5,271	6.5	6.5	6.2
South-East	1,443	2,032	3,797	6,950	6.5	6.5	6.2
Australasia	563	793	1,483	2,714	6.5	6.5	6.2
Other East Asia/Pacific	40	56	105	192	6.5	6.5	6.2
Europe	53,123	61,213	78,499	98,272	2.5	2.5	2.3
Northern	9,512	11,072	14,476	18,410	2.7	2.7	2.4
Western	20,290	23,028	28,674	34,726	2.2	2.2	1.9
Central/Eastern	2,895	3,983	7,251	12,375	6.0	6.2	5.5
Southern	18,630	20,654	24,511	28,262	1.7	1.7	1.4
East Mediterranean	1,796	2,476	3,587	4,499	3.7	3.8	2.3
Middle East	707	972	1,996	3,901	7.1	7.5	6.9
South Asia	694	963	1,986	3,703	6.9	7.5	6.4
Intraregional	53,123	61,213	78,499	98,272	2.5	2.5	2.3
Long-Haul	11,038	14,480	25,540	43,408	5.6	5.8	5.4

Source: World Tourism Organization (WTO)

Western Europe

Outbound travel from Western Europe is set to grow at 3.2 per cent per annum over the forecast period. All interregional destinations will record growth rates above the overall growth in outbound Western European travel. As a result, the long-haul share will almost double from 11 per cent in 1995 to over 21 per cent in 2020.

Arrivals in East Asia and the Pacific are expected to grow at 6.7 per cent a year and in the Middle East by 7.0 per cent a year over the period. Tourist arrivals in Southern Africa are expected to grow at 7.3 per cent a year (Table 3.3.2c).

Table 3.3.2c WTO Tourism 2020 Vision: Forecast of Outbound Tourism from Western Europe
 International Tourist Arrivals by Tourist Receiving Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	152,421	179,407	245,311	337,730	3.2	3.2	3.2
Africa	4,057	4,703	7,139	10,457	3.9	4.3	3.9
North	2,359	2,656	3,631	4,892	3.0	3.2	3.0
West	421	472	635	855	2.9	3.0	3.0
Central	71	71	90	110	1.7	2.4	2.0
East	864	996	1,666	2,593	4.5	5.3	4.5
Southern	341	508	1,118	2,007	7.3	8.2	6.0
Americas	7,314	9,925	18,726	33,103	6.2	6.6	5.9
North	5,133	6,839	12,499	21,403	5.9	6.2	5.5
Caribbean	1,161	1,651	3,316	6,240	7.0	7.2	6.5
Central	171	227	468	862	6.7	7.5	6.3
South	850	1,208	2,443	4,598	7.0	7.3	6.5
East Asia/Pacific	3,949	5,668	10,746	19,845	6.7	6.6	6.3
North-East	1,308	1,877	3,559	6,572	6.7	6.6	6.3
South-East	2,177	3,125	5,924	10,940	6.7	6.6	6.3
Australasia	352	506	959	1,770	6.7	6.6	6.3
Other East Asia/Pacific	112	161	304	562	6.7	6.6	6.3
Europe	135,281	156,722	203,999	265,596	2.7	2.7	2.7
Northern	12,800	15,425	22,343	31,596	3.7	3.8	3.5
Western	55,980	58,305	62,921	66,304	0.7	0.8	0.5
Central/Eastern	21,927	24,573	44,399	76,585	5.1	6.1	5.6
Southern	41,405	54,347	68,648	83,989	2.9	2.4	2.0
East Mediterranean	3,169	4,073	5,687	7,122	3.3	3.4	2.3
Middle East	1,136	1,503	3,104	6,121	7.0	7.5	7.0
South Asia	684	886	1,597	2,608	5.5	6.1	5.0
Intraregional	135,281	156,722	203,999	265,596	2.7	2.7	2.7
Long-Haul	17,140	22,685	41,312	72,134	5.9	6.2	5.7

Source: World Tourism Organization (WTO)

Central/Eastern Europe

The largest growth rates from the Central/Eastern Europe subregion will be to South Asia (10.0 per cent a year) and Africa (9.6 per cent a year). Within Africa, arrivals in North Africa are expected to grow by an annual average of 10.2 per cent over the forecast period (Table 3.3.2d).

Arrivals from Central/Eastern Europe to East Asia and the Pacific and Middle East will also be strong, growing at 8 per cent a year over the period 1995-2020.

87 per cent of arrivals of Central/Eastern European travellers will be at intraregional destinations in 2020, as against 95 per cent in 1995.

Table 3.3.2d WTO Tourism 2020 Vision: Forecast of Outbound Tourism from Central/Eastern Europe
International Tourist Arrivals by Tourist Receiving Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	44,553	55,577	84,189	129,010	4.3	4.2	4.4
Africa	175	257	704	1,731	9.6	10.6	9.4
North	132	202	579	1,491	10.2	11.1	9.9
West	33	42	92	171	6.8	8.1	6.4
Other Africa	10	13	34	69	7.9	10.1	7.4
Americas	392	515	1,017	1,894	6.5	7.0	6.4
North	376	496	987	1,841	6.6	7.1	6.4
Caribbean	11	12	19	35	4.9	4.7	5.9
Other Americas	6	7	11	19	4.8	4.8	5.9
East Asia/Pacific	1,249	1,679	3,779	8,488	8.0	8.5	8.4
North-East	1,074	1,444	3,250	7,301	8.0	8.5	8.4
South-East	149	200	451	1,013	8.0	8.5	8.4
Australasia	25	34	77	173	8.0	8.5	8.4
Other East Asia/Pacific	0.1	0	0	1	8.1	7.9	8.5
Europe	42,199	52,201	76,416	112,213	4.0	3.9	3.9
Northern	848	1,368	3,273	7,020	8.8	9.1	7.9
Western	2,497	3,858	7,593	14,159	7.2	7.0	6.4
Central/Eastern	36,369	43,590	59,472	80,956	3.3	3.2	3.1
Southern	1,590	1,949	3,110	4,798	4.5	4.8	4.4
East Mediterranean	893	1,435	2,967	5,279	7.4	7.5	5.9
Middle East	290	448	1,008	1,969	8.0	8.5	6.9
South Asia	248	478	1,266	2,714	10.0	10.2	7.9
Intraregional	42,199	52,201	76,416	112,213	4.0	3.9	3.9
Long-Haul	2,354	3,376	7,774	16,797	8.2	8.7	8.0

Source: World Tourism Organization (WTO)

Southern Europe

The growth rate in outbound travel from Southern Europe is set to be the lowest in Europe over the forecast period of 1995 to 2020, at only 2.9 per cent a year. However, travel to the Caribbean, Central and South America, the Middle East and Southern Africa is expected to grow at more than double that rate (Table 3.3.2e).

The long-haul share of outbound Southern European generated arrivals will double from 12 to 24 per cent between 1995 and 2020.

Table 3.3.2e WTO Tourism 2020 Vision: Forecast of Outbound Tourism from Southern Europe
International Tourist Arrivals by Tourist Receiving Region and Subregion

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	39,107	47,126	60,666	79,050	2.9	2.6	2.7
Africa	914	1,056	1,489	2,078	3.3	3.5	3.4
North	655	754	1,012	1,351	2.9	3.0	2.9
West	87	99	132	176	2.9	3.0	2.9
East	114	126	190	267	3.5	4.2	3.4
Southern	52	72	148	275	6.9	7.4	6.4
Other Africa	6	6	7	9	1.6	1.9	1.9
Americas	2,284	3,053	5,702	10,219	6.2	6.4	6.0
North	1,132	1,378	2,141	3,149	4.2	4.5	3.9
Caribbean	310	448	903	1,683	7.0	7.3	6.4
Central	114	153	309	576	6.7	7.2	6.4
South	728	1,074	2,350	4,811	7.8	8.1	7.4
East Asia/Pacific	845	1,188	2,021	3,117	5.4	5.5	4.4
North-East	378	532	905	1,396	5.4	5.5	4.4
South-East	387	545	926	1,429	5.4	5.5	4.4
Australasia	71	100	169	261	5.4	5.5	4.4
Other East Asia/Pacific	10	12	20	31	4.5	5.5	4.4
Europe	34,389	40,883	49,538	60,064	2.3	1.9	1.9
Northern	2,427	2,966	4,280	5,998	3.7	3.7	3.4
Western	13,770	14,534	15,626	16,318	0.7	0.7	0.4
Central/Eastern	5,228	6,701	11,057	17,979	5.1	5.1	5.0
Southern	12,485	16,002	17,600	18,566	1.6	1.0	0.5
East Mediterranean	479	680	975	1,203	3.8	3.7	2.1
Middle East	471	695	1,495	2,921	7.6	8.0	6.9
South Asia	203	251	422	651	4.8	5.3	4.4
Intraregional	34,389	40,883	49,538	60,064	2.3	1.9	1.9
Long-Haul	4,717	6,244	11,128	18,986	5.7	5.9	5.5

Source: World Tourism Organization (WTO)

East Mediterranean Europe

Outbound travel from the East Mediterranean will grow faster (at 4.7 per cent a year over the forecast period) than any other defined European subregion (Table 3.3.2f). The subregions that are expected to experience a high growth of arrivals from East Mediterranean Europe include South America (7.9 per cent) and Middle East (7.5 per cent). The long-haul share will rise from 28 per cent in 1995 to 40 per cent in 2020.

**Table 3.3.2f WTO Tourism 2020 Vision: Forecast of Outbound Tourism from East Mediterranean Europe
International Tourist Arrivals by Tourist Receiving Region and Subregion**

	Arrivals (000)				Growth Rate (% p.a.)		
	Base Year	Forecasts			Overall		
	1995	2000	2010	2020	1995-2020	2000-2010	2010-2020
Total	3,755	4,640	7,499	11,940	4.7	4.9	4.8
Africa	38	51	99	178	6.4	6.8	6.1
North	17	23	48	89	6.9	7.4	6.4
Southern	13	18	37	68	6.9	7.5	6.1
Other Africa	8	10	13	21	4.0	3.2	4.8
Americas	383	488	774	1,206	4.7	4.7	4.5
North	345	430	652	959	4.2	4.3	3.9
South	32	48	104	213	7.9	8.0	7.4
Other Americas	6	9	18	34	6.9	6.9	6.4
East Asia/Pacific	140	197	319	492	5.2	5.0	4.4
North-East	65	92	149	230	5.2	5.0	4.4
South-East	59	83	134	207	5.2	5.0	4.4
Australasia	16	22	35	55	5.2	5.0	4.4
Europe	2,699	3,226	4,807	7,160	4.0	4.1	4.1
Northern	80	103	163	252	4.7	4.7	4.4
Western	477	504	541	565	0.7	0.7	0.4
Central/Eastern	1,507	1,932	3,227	5,222	5.1	5.3	4.9
Southern	579	608	720	830	1.5	1.7	1.4
East Mediterranean	55	79	156	291	6.9	7.0	6.4
Middle East	462	635	1,430	2,795	7.5	8.4	6.9
South Asia	33	43	70	109	4.8	5.1	4.4
Intraregional	2,699	3,226	4,807	7,160	4.0	4.1	4.1
Long-Haul	1,056	1,414	2,692	4,780	6.2	6.7	5.9

Source: World Tourism Organization (WTO)

3.4 Mediterranean Forecasts

Of the 637 million international tourist arrivals worldwide in 1998, over 197 million (almost one third) visited Mediterranean region. Over the period 1995 to 2020, it is expected that the average annual growth rate of tourist arrivals to the 21 countries bordering the Mediterranean Sea will be 3 per cent (Table 3.4a). By 2020, this will account for 346 million arrivals, or approximately 22 per cent of all global arrivals. Therefore, despite its continued growth as the world's largest tourist receiving region, the Mediterranean's share of global tourism is expected to decrease over the next two decades.

The top three destinations in 2020 will be the same as the top three today, France, Spain and Italy. However, the strongest rates of growth among the Mediterranean destinations over the period 1995-2020 are likely to be achieved by two groups of countries and territories: those in the rapid-growth phase of development (i.e. Turkey and Egypt); and those destinations seeking to rebuild their tourism sectors from one form or another of disruption in recent years (e.g. the new countries of the former Yugoslavia, Lebanon and, in the mid or long term, Libya).

By contrast, only one of the "big 5" will see significant growth with Spain, Italy, Greece and France all likely to record growth rates of between 2 and 3 per cent (below the Mediterranean average). However, Turkey will record an above the Mediterranean average with an annual growth rate of 5.5 per cent. Collectively, these five countries' share of Mediterranean arrivals will decline from 88 per cent in 1995 to 80 per cent by 2020.

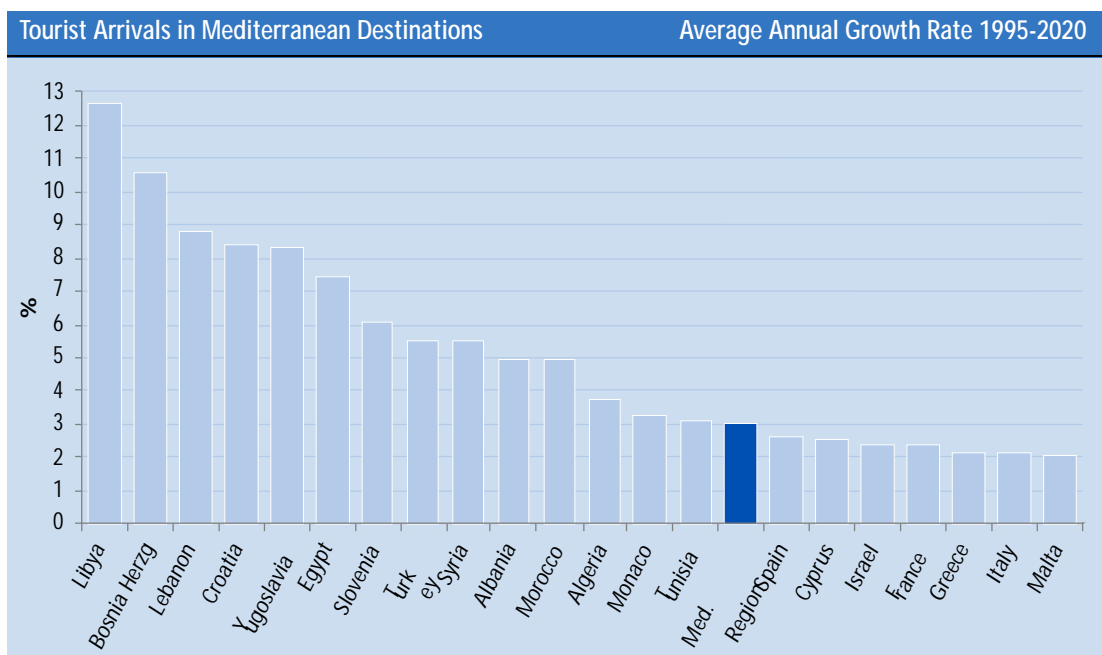


Table 3.4a WTO Tourism 2020 Vision: Forecast of International Tourist Arrivals in Mediterranean Destinations (000)

	Actual	Forecasts		Growth Rates (% p.a.)		
	1995	2010	2020	1995-2020	2000-2010	2010-2020
Total	166,562	268,775	345,974	3.0	2.6	2.6
Albania	40	51	133	4.9	7.5	10.0
Algeria	520	1,009	1,304	3.7	3.3	2.6
Bosnia Herzg	37	248	444	10.5	7.5	6.0
Croatia	1,324	7,454	10,017	8.4	4.3	3.0
Cyprus	2,100	3,041	3,893	2.5	2.5	2.5
Egypt	2,872	8,693	17,100	7.4	7.0	7.0
France	60,033	88,237	106,093	2.3	2.1	1.9
Greece	10,130	14,315	17,111	2.1	2.0	1.8
Israel	2,215	3,055	3,910	2.3	2.5	2.5
Italy	31,052	43,881	52,451	2.1	2.0	1.8
Lebanon	450	1,716	3,704	8.8	9.0	8.0
Libya	56	416	1,079	12.6	12.5	10.0
Malta	1,116	1,502	1,831	2.0	2.0	2.0
Monaco	233	381	512	3.2	3.0	3.0
Morocco	2,602	5,465	8,692	4.9	4.9	4.8
Slovenia	732	1,920	3,128	6.0	5.0	5.0
Spain	38,803	61,798	73,867	2.6	2.2	1.8
Syria	815	1,577	3,102	5.5	5.0	7.0
Tunisia	4,120	6,305	8,916	3.1	3.4	3.5
Turkey	7,083	17,068	27,017	5.5	5.3	4.7
Yugoslavia	228	643	1,669	8.3	8.0	10.0

Source: World Tourism Organization (WTO)

3.5 Balkan Forecasts

The ten Balkan countries recorded an aggregate of 31.5 million international tourist arrivals in 1998, showing an annual growth rate of 6.7 per cent since 1995. It is forecast that there will be 79 million international tourist arrivals in the Balkan region by 2020, thus recording an annual growth rate for the region of 4.6 per cent over the period 1995-2020 (Table 3.5a).

The leading Balkan tourist destinations are Greece, Turkey, Bulgaria, Romania, and Croatia. These five accounted for 95 per cent of total arrivals in Balkan countries in 1998. By 2020, these five countries will retain the majority of Balkan tourist arrivals, albeit with a slight decrease of the overall share to 92.7 per cent. The Balkan share of world tourism was around 5 per cent in 1998, and this is expected to remain roughly the same over the period 1995 to 2020.

The strongest rates of growth among the Balkan countries over the period 1995 to 2020 are likely to be achieved by countries in the 'in-recovery' phase, such as Croatia, which is expected to show the largest growth rate (8.4 per cent) of all the Balkan countries. Turkey will also record strong growth into the next century. In contrast to the other Balkan countries, Greece will experience difficulty in maintaining the growth rates of the 1980s due to the market's perception of the growing maturation of its products, a problem that could also affect Turkey later in the forecast period.

Table 3.5a WTO Tourism 2020 Vision: Forecasts of International Tourist Arrivals in the Balkan Region (000)

	Actual	Forecasts		Growth Rates (% p.a.)		
	1995	2010	2020	1995-2020	2000-2010	2010-2020
Total	25,944	53,903	79,003	4.6	4.3	3.9
Albania	40	51	133	4.9	7.5	10.0
Bosnia Herzg	37	248	444	10.5	7.5	6.0
Bulgaria	3,466	6,226	10,635	4.6	7.0	5.5
Croatia	1,324	7,454	10,017	8.4	4.3	3.0
Greece	10,130	14,315	17,111	2.1	2.0	1.8
Romania	2,757	5,732	8,484	4.6	5.0	4.0
Slovenia	732	1,920	3,128	6.0	5.0	5.0
TFYROM	147	246	364	3.7	4.0	4.0
Turkey	7,083	17,068	27,017	5.5	5.3	4.7
Yugoslavia	228	643	1,669	8.3	8.0	10.0

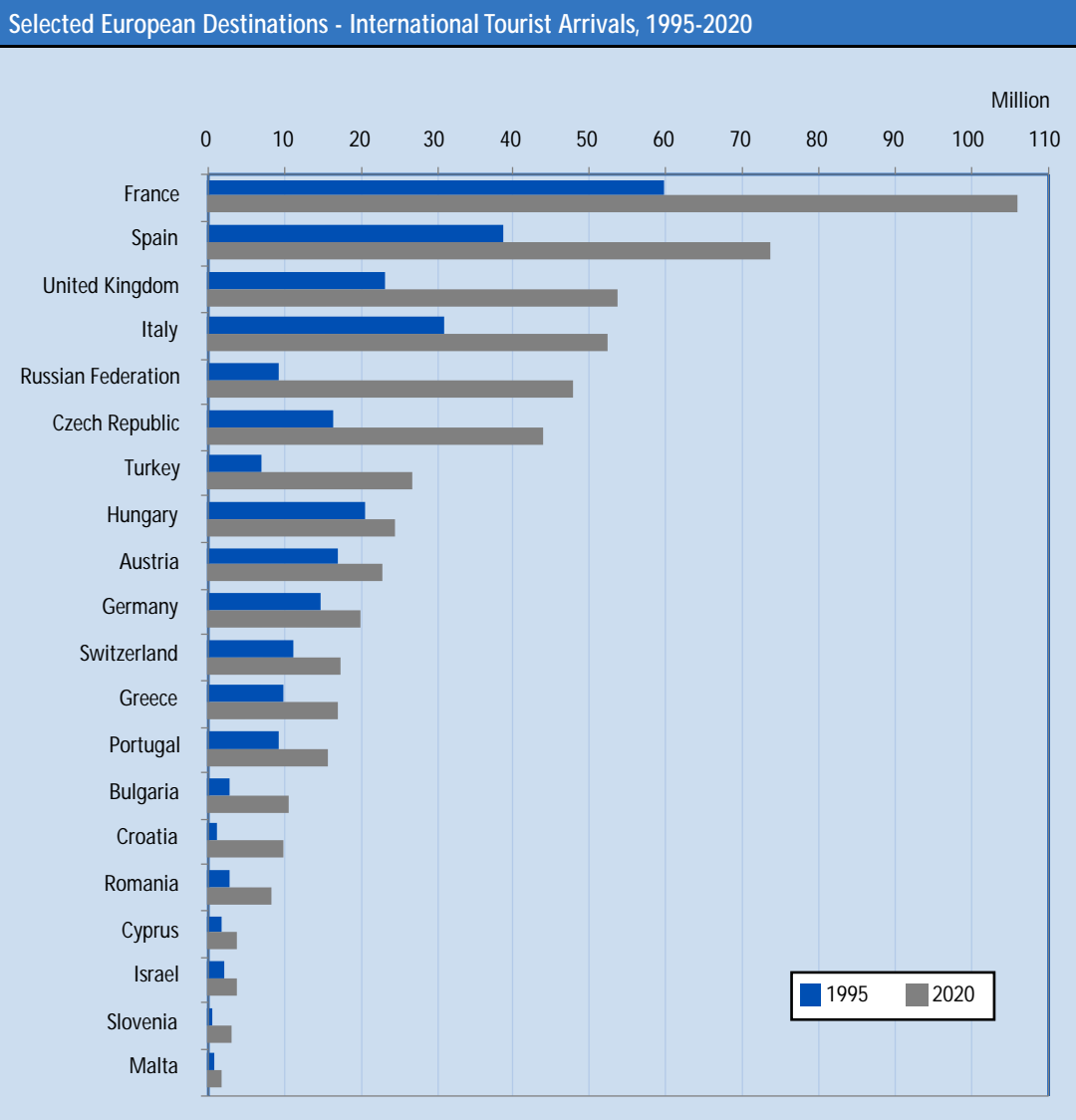
Source: World Tourism Organization (WTO)

3.6 Origin and Destination Country Forecasts

3.6.1 Inbound Tourism: Country Overview

As part of *Tourism 2020 Vision* forecasts have been made for a number of individual destinations. This section 3.6.1 gives an overview for European countries with a forecast available. Section 3.6.2 presents origin-destination forecasts on a country to country basis for selected major destinations. Section 3.6.3 will give outbound forecasts for five major European generating markets.

In the year 2020, France will remain Europe's number one destination with over one hundred million international arrivals. Worldwide, however, China will take over first place from France, with a forecasted 130 million international arrivals. The next five European destinations in the year 2020 will be Spain, United Kingdom, Italy, the Russian Federation and the Czech Republic, each recording between 40 and 75 million international arrivals.



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The highest growth rates for the 1995-2020 period are forecast for Croatia (8.4 per cent a year on average), the Russian Federation (6.8 per cent), Slovenia (6.0 per cent), Turkey (5.5 per cent) and Bulgaria and Romania (both 4.6 per cent).

Recuperation of the Russian outbound market and the increasing prosperity in the CIS states will spur tourism growth in the destinations in the Central/Eastern part of Europe in general. Turkey and Croatia have suffered in recent times from the war in Kosovo and political instability and/or natural disasters, but are poised for above-average tourism growth over the next two decades. Consequently those destinations will increase their market share.

On the other hand, mature Mediterranean destinations will lose a bit of market share, as they are expected to record growth rates slightly below the average for Europe as a whole. The lowest growth rates are forecast for the Central/Western European countries Switzerland, Austria, Germany and Hungary.

Selected European Destinations - International Tourist Arrivals Average Annual Growth Rate, 1995-2020

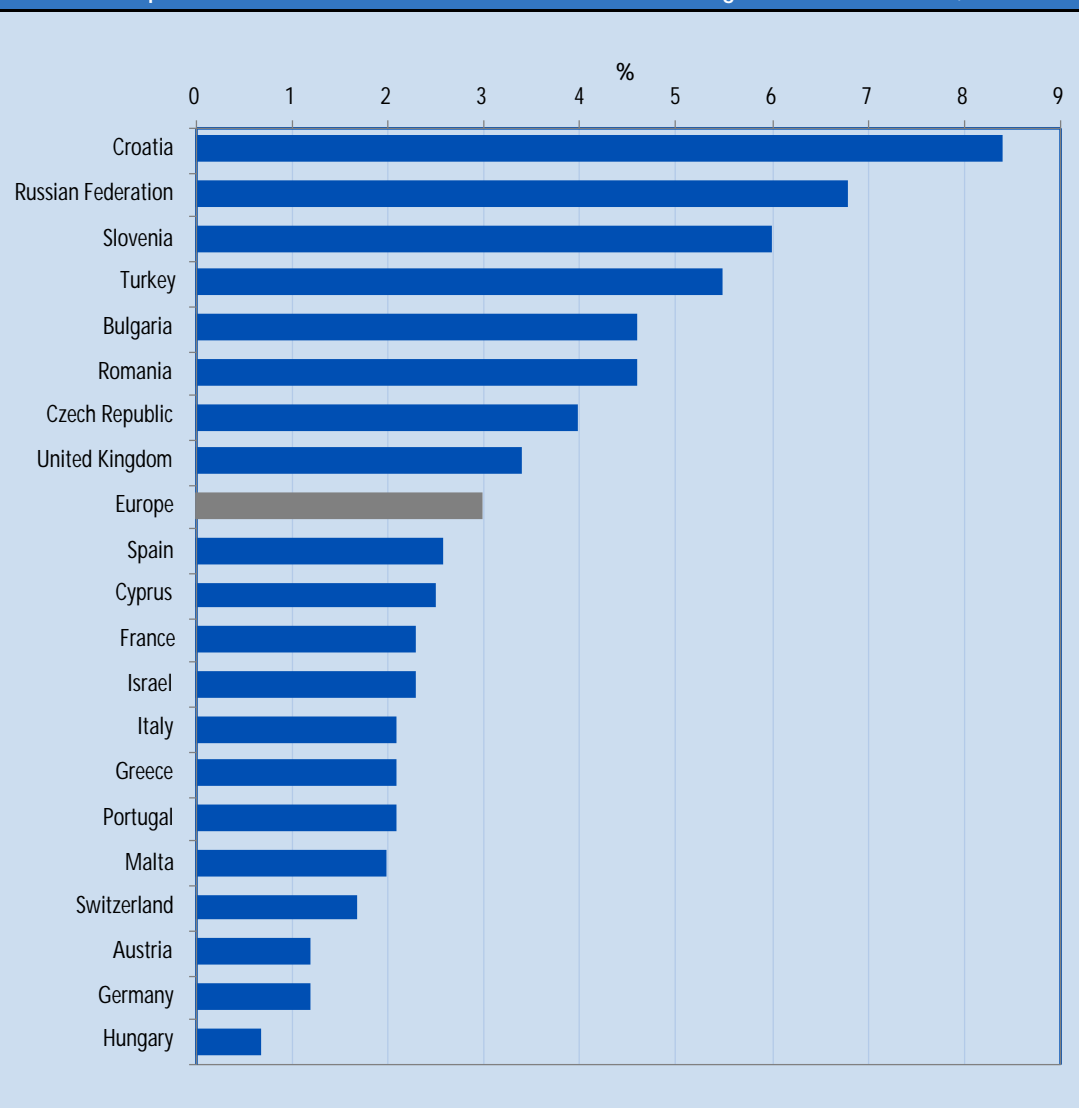


Table 3.6.1a WTO Tourism 2020 Vision: Inbound Tourism, Selected European Destination Countries
Forecasts of International Tourist Arrivals by Receiving Subregion and Destination Country (million)

	Actual 1995	Forecasts 2020	Market Share		Average Annual Growth 1995-2020
			1995	2020	
Total Europe	338.4	717.0	100	100	3.0
Northern	37.6	96.6	11.1	13.5	3.8
United Kingdom	23.5	53.8	7.0	7.5	3.4
Western	116.7	185.2	34.5	25.8	1.9
France	60.0	106.1	17.7	14.8	2.3
Austria	17.2	23.1	5.1	3.2	1.2
Germany	14.8	20.0	4.4	2.8	1.2
Switzerland	11.5	17.4	3.4	2.4	1.7
Central/Eastern	78.9	223.3	23.3	31.1	4.2
Russian Federation	9.3	48.0	2.7	6.7	6.8
Czech Republic	16.5	44.0	4.9	6.1	4.0
Hungary	20.7	24.7	6.1	3.5	0.7
Bulgaria	3.5	10.6	1.0	1.5	4.6
Romania	2.8	8.5	0.8	1.2	4.6
Southern	93.7	177.0	27.7	24.7	2.6
Spain	38.8	73.9	11.5	10.3	2.6
Italy	31.1	52.5	9.2	7.3	2.1
Greece	10.1	17.1	3.0	2.4	2.1
Portugal	9.5	16.0	2.8	2.2	2.1
Croatia	1.3	10.0	0.4	1.4	8.4
Slovenia	0.7	3.1	0.2	0.4	6.0
Malta	1.1	1.8	0.3	0.3	2.0
East Mediterranean	11.4	34.8	3.4	4.9	4.6
Turkey	7.1	27.0	2.1	3.8	5.5
Israel	2.2	3.9	0.7	0.5	2.3
Cyprus	2.1	3.9	0.6	0.5	2.5

Source: World Tourism Organization (WTO)

3.6.2 Inbound Tourism: Destinations by Countries of Origin

France: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is below the average for both Europe and the world, at 2.3 per cent. Strongest growth is expected from the UK and Irish markets, principally due to the proximity of the two countries and the large choice of transport options available, and also Italy. Arrivals from the United States will also grow at above the overall average for France. By 2020, 106 million arrivals are forecast (Table 3.6.2a).

Table 3.6.2a WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in France by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
United Kingdom/Ireland	4,813	8,668	12,227	3.8	4.0	3.5
Germany	4,077	4,286	4,394	0.3	0.3	0.3
Italy	2,485	4,906	6,280	3.8	3.0	2.5
United States	2,314	3,963	4,831	3.0	2.5	2.0
Belgium/Luxembourg	1,933	2,255	2,491	1.0	1.0	1.0
Spain/Portugal	1,596	2,148	2,373	1.6	1.5	1.0
Japan	1,414	1,949	2,495	2.3	3.0	2.5
Netherlands	1,403	1,981	2,188	1.8	1.5	1.0
Switzerland	1,211	1,406	1,477	0.8	0.5	0.5
Canada	339	356	365	0.3	0.3	0.3
Denmark	235	357	415	2.3	2.0	1.5
Other	5,198	7,444	8,223	1.9	1.4	1.0
Total	27,018	39,719	47,759	2.3	2.1	1.9
T2020V Arrivals Forecast	60,033	88,237	106,093	2.3	2.1	1.9

Source: World Tourism Organization (WTO)

¹ International tourist arrivals in hotels and similar establishments

Spain: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is below the average for both Europe and the world, at 2.6 per cent. Strongest growth is expected from the Japanese market. By 2020 around 74 million arrivals are forecast (Table 3.6.2b).

Table 3.6.2b WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Spain by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Germany	3,984	4,795	5,065	1.0	1.0	0.6
United Kingdom	3,394	5,288	6,769	2.8	3.0	2.5
France	1,778	2,064	2,170	0.8	1.0	0.5
Italy	1,216	1,411	1,484	0.8	1.0	0.5
United States	830	1,886	2,299	4.2	3.5	2.0
Belgium	648	1,034	1,230	2.6	2.5	1.8
Netherlands	606	877	1,018	2.1	2.0	1.5
Japan	477	1,641	2,000	5.9	3.5	2.0
Portugal	450	932	1,136	3.8	3.5	2.0
Switzerland	287	927	1,130	5.6	3.5	2.0
Other	2,616	5,094	6,715	3.8	2.2	2.8
Total	16,286	25,949	31,015	2.6	2.2	1.8
T2020V Arrivals Forecast	38,803	61,798	73,867	2.6	2.2	1.8

Source: World Tourism Organization (WTO)

¹ International tourist arrivals in hotels and similar establishments

Italy: The overall annual growth rate in international arrivals for the period 1995 to 2020 is below the European and global average, at 2.1 per cent. France is expected to generate arrivals well above the average (5.0 per cent) for the period. By 2020 around 52 million arrivals are expected (Table 3.6.2c).

Table 3.6.2c WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Italy by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Switzerland	8,983	8,969	9,665	0.3	1.0	0.8
Germany	8,806	9,728	10,482	0.7	1.0	0.8
Yugoslavia (former)	8,704	14,936	16,995	2.7	1.4	1.3
France	8,406	21,024	28,752	5.0	4.5	3.2
Austria	5,962	8,848	10,786	2.4	2.5	2.0
United Kingdom	1,689	1,865	2,274	1.2	1.0	2.0
United States	1,384	1,313	1,415	0.1	1.0	0.8
Netherlands	1,146	834	899	-1.0	1.0	0.8
Spain	912	779	840	-0.3	1.0	0.8
Japan	897	1,332	1,623	2.4	2.5	2.0
Other	8,818	9,086	10,339	0.6	0.3	1.3
Total	55,706	78,713	94,069	2.1	2.0	1.8
T2020V Arrivals Forecast	31,052	43,881	52,451	2.1	2.0	1.8

Source: World Tourism Organization (WTO)

¹ Includes both Tourists and Same Day Visitors

United Kingdom: The overall annual growth rate in international tourist arrivals for the period 1995-2020 is expected to be 3.4 per cent, which is above the average for Europe, but below the global average. Strongest growth is expected from the traditional markets of France, Ireland, and Netherlands. By 2020 around 54 million arrivals are expected (Table 3.6.2d).

Table 3.6.2d WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in United Kingdom by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
France	3,184	6,162	10,037	4.7	4.5	5.0
United States	3,146	4,901	6,587	3.0	3.0	3.0
Germany	2,654	4,135	5,557	3.0	3.0	3.0
Ireland	1,988	4,133	6,732	5.0	5.0	5.0
Netherlands	1,408	3,449	5,617	5.7	5.0	5.0
Belgium/Luxembourg	1,343	1,808	2,203	2.0	2.0	2.0
Italy	924	1,475	1,888	2.9	3.0	2.5
Spain	772	1,203	1,616	3.0	3.0	3.0
Canada	609	1,020	1,439	3.5	3.5	3.5
Sweden	552	994	1,472	4.0	4.0	4.0
Other	6,957	8,698	10,603	1.7	1.5	2.0
Total	23,537	37,977	53,752	3.4	3.2	3.5

Source: World Tourism Organization (WTO)

¹ Includes both Tourists and Same Day Visitors

Hungary: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is expected to be very low for Hungary (0.7 per cent). This is principally due to the levelling-out of demand for visitors travelling to the country, after the surge experienced in the early 1990s. Strongest growth is expected from neighbouring Poland, Czech Republic and Slovakia. By 2020 around 25 million arrivals are expected (Table 3.6.2e).

Table 3.6.2e WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Hungary by Main Markets (000)

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Germany	3,413	3,770	4,164	0.8	1.0	1.0
Romania	3,298	1,351	1,492	-3.1	1.0	1.0
Ukraine	2,673	245	271	-8.8	0.0	1.0
Austria	2,196	2,307	2,549	0.6	1.0	1.0
Yugoslavia	1,934	2,801	3,586	2.5	2.5	2.5
Czech Rep./Slovakia	1,644	3,583	5,303	4.8	5.0	4.0
Russian Federation	1,337	104	115	-9.4	0.0	1.0
Croatia	644	932	1,137	2.3	2.5	2.0
Poland	418	790	1,114	4.0	4.0	3.5
Italy	343	398	440	1.0	1.0	1.0
Other	2,790	3,755	4,577	2.0	2.0	2.0
Total	20,690	20,036	24,747	0.7	2.2	2.1

Source: World Tourism Organization (WTO)

Austria: The overall annual growth rate in international tourist arrivals for the period 1995-2020 is expected to be approximately 1.2 per cent, significantly lower than the European and global average. By 2020, 23 million arrivals are expected (Table 3.6.2f).

Table 3.6.2f WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Austria by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Germany	10,014	9,998	11,044	0.4	1.0	1.0
Netherlands	1,128	1,070	1,182	0.2	1.0	1.0
Italy	821	1,342	1,636	2.8	3.0	2.0
Switzerland	726	802	886	0.8	1.0	1.0
France	564	457	505	-0.4	1.0	1.0
United States	539	780	951	2.3	2.0	2.0
United Kingdom	538	594	656	0.8	1.0	1.0
Belgium/Luxembourg	427	385	425	0.0	1.0	1.0
Japan	240	442	594	3.7	4.0	3.0
Hungary	196	186	206	0.2	1.0	1.0
Other	1,980	3,741	5,028	3.8	4.0	3.0
Total	17,173	19,799	23,114	1.2	1.7	1.6

Source: World Tourism Organization (WTO)

¹ International tourist arrivals in all accommodation establishments

Germany: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is below the average for Europe and the world at 1.2 per cent. Strongest growth is expected from Italy. By 2020, 20 million arrivals are expected (Table 3.6.2g).

Table 3.6.2g WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Germany by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Netherlands	2,297	2,733	3,019	1.1	1.0	1.0
United States	1,549	2,081	2,299	1.6	1.0	1.0
United Kingdom	1,362	1,745	1,927	1.4	1.0	1.0
Switzerland	833	991	1,052	0.9	0.8	0.6
Japan	813	920	977	0.7	0.8	0.6
France	802	931	989	0.8	0.8	0.6
Italy	762	1,368	1,667	3.2	2.5	2.0
Belgium/Luxembourg	654	798	847	1.0	0.8	0.6
Denmark	641	763	810	0.9	0.8	0.6
Austria	616	770	817	1.1	0.8	0.6
Other	4,518	5,411	5,637	0.9	0.4	0.4
Total	14,847	18,511	20,041	1.2	0.9	0.8

Source: World Tourism Organization (WTO)

¹ International tourist arrivals in all accommodation establishments

Switzerland: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is one of the lowest for European countries. Only arrivals from neighbouring Italy are expected to be significantly above the average. By 2020, 17 million arrivals are expected (Table 3.6.2h).

Table 3.6.2h WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Switzerland by Main Markets (000)¹

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Germany	2,111	2,332	2,576	0.8	1.0	1.0
United States	783	932	1,081	1.3	1.5	1.5
Japan	561	620	685	0.8	1.0	1.0
France	461	509	562	0.8	1.0	1.0
United Kingdom	448	732	938	3.0	3.0	2.5
Italy	372	670	992	4.0	4.0	4.0
Netherlands	254	334	407	1.9	2.0	2.0
Belgium	223	246	272	0.8	1.0	1.0
Spain	154	188	218	1.4	1.5	1.5
Austria	143	158	175	0.8	1.0	1.0
Other	1,435	1,998	2,596	2.4	2.4	2.7
Total	6,946	8,720	10,502	1.7	1.8	1.9
T2020V Arrivals Forecast	11,500	14,447	17,405	1.7	1.8	1.9

Source: World Tourism Organization (WTO)

¹ International tourist arrivals in hotels and similar establishments

Greece: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is below the European and global average, at 2.1 per cent. Strongest growth is expected from Italy, and the former Yugoslav republics, as they re-stabilise. By 2020, 17 million arrivals are expected (Table 3.6.2i).

Table 3.6.2i WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Greece by Main Markets (000)

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Germany	2,273	3,212	4,112	2.4	2.5	2.5
United Kingdom	2,225	2,458	2,996	1.2	1.0	2.0
Italy	643	1,271	1,627	3.8	3.0	2.5
France	552	326	360	-1.7	0.0	1.0
Netherlands	506	559	617	0.8	1.0	1.0
Sweden	459	618	717	1.8	2.0	1.5
Austria	347	595	725	3.0	2.5	2.0
Denmark	324	505	615	2.6	2.0	2.0
Yugoslavia (former)	270	585	666	3.7	3.0	1.3
Switzerland	259	444	541	3.0	2.5	2.0
Other	2,271	3,743	4,135	2.4	2.0	1.0
Total	10,130	14,315	17,111	2.1	2.0	1.8

Source: World Tourism Organization (WTO)

Portugal: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is below the European and global average, at 2.1 per cent. Only France and Sweden are expected to generate arrivals at a rate greater than the overall for Portugal. By 2020, 16 million arrivals are expected (Table 3.6.2j).

Table 3.6.2j WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Portugal by Main Markets (000)

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Spain	4,613	6,208	7,568	2.0	2.0	2.0
United Kingdom	1,373	1,848	2,253	2.0	2.0	2.0
Germany	863	1,190	1,450	2.1	2.0	2.0
France	614	1,160	1,559	3.8	4.0	3.0
Netherlands	421	465	513	0.8	1.0	1.0
Italy	236	261	288	0.8	1.0	1.0
Belgium	214	237	262	0.8	1.0	1.0
United States	186	221	244	1.1	1.0	1.0
Denmark	118	130	144	0.8	1.0	1.0
Sweden	100	148	189	2.6	2.5	2.5
Other	774	1,135	1,504	2.7	2.5	2.9
Total	9,511	13,002	15,975	2.1	2.1	2.1

Source: World Tourism Organization (WTO)

Turkey: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is above the average for Europe and the world. All of the western European markets show strong growth rates over the period. By 2020, 27 million arrivals are expected (Table 3.6.2k).

Table 3.6.2k WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Turkey by Main Markets (000)

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
Germany	1,584	4,454	7,255	6.3	6.0	5.0
CIS	1,277	1,583	1,698	1.1	0.7	0.7
United Kingdom	667	1,714	3,218	6.5	7.0	6.5
Iran	361	419	441	0.8	0.5	0.5
Israel	283	381	464	2.0	3.0	2.0
Romania	281	847	1,746	7.6	9.5	7.5
France	231	553	901	5.6	6.5	5.0
Netherlands	192	483	787	5.8	6.5	5.0
Austria	176	539	878	6.6	6.5	5.0
Bulgaria	159	514	879	7.1	6.5	5.5
United States	152	356	580	5.5	5.5	5.0
Other	1,720	5,223	8,172	6.4	5.8	4.6
Total	7,083	17,068	27,017	5.5	5.3	4.7

Source: World Tourism Organization (WTO)

Israel: The overall annual growth rate in international tourist arrivals for the period 1995 to 2020 is below the European and global average, at 2.3 per cent. However, continued strong growth from the Russian Federation in particular is expected over the next two decades. By 2020, 3.9 million arrivals are expected (Table 3.6.2).

Table 3.6.2i WTO Tourism 2020 Vision: Forecasts of Tourist Arrivals in Israel by Main Markets (000)

Origin Markets	Actual 1995	Forecasts		Growth Rates (% p.a.)		
		2010	2020	1995-2020	2000-2010	2010-2020
United States	453	580	686	1.7	2.0	1.7
Germany	219	287	340	1.8	2.0	1.7
United Kingdom	217	278	329	1.7	2.0	1.7
France	178	229	271	1.7	2.0	1.7
Jordan	84	93	101	0.7	1.0	0.8
Italy	83	92	99	0.7	1.0	0.8
Netherlands	76	185	287	5.5	5.0	4.5
Russian Federation	62	125	194	4.7	5.0	4.5
Belgium	47	57	64	1.3	1.5	1.2
Canada	46	60	70	1.7	2.0	1.7
Other	750	1,069	1,467	2.7	2.9	3.2
Total	2,215	3,055	3,910	2.3	2.5	2.5

Source: World Tourism Organization (WTO)

3.6.3 Outbound Tourism from Major Generating Countries

Germany: Germany is the world’s largest tourist-generating country. However, the growth of German outbound tourism is expected to grow at a rate of 2.9 per cent over the forecast period, which is below the European average. Whilst France will remain the main destination for German travellers, travel to the United States is expected to grow the fastest amongst the destinations examined over the forecast period (Table 3.6.3a).

Table 3.6.3a WTO Tourism 2020 Vision: Forecasts of Outbound Travel from Germany by Main Destinations

Destinations	Growth Rates (% p.a.)		
	1995-2020	2000-2010	2010-2020
Total	2.9	2.7	3.1
France	0.3	0.3	0.3
Spain	1.0	1.0	0.6
Austria	0.4	1.0	1.0
Italy	0.7	1.0	0.8
Hungary	0.8	1.0	1.0
United Kingdom	3.0	3.0	3.0
Netherlands	4.4	4.5	4.5
United States	4.8	5.0	5.0
Switzerland	0.8	1.0	1.0
Greece	2.4	2.5	2.5
Other	5.5	5.0	5.0

Source: World Tourism Organization (WTO)

United Kingdom: The growth of tourists travelling from the United Kingdom is expected to increase at just below the average for Europe as a whole. Travel to France, Belgium, Ireland and United States will grow faster than the overall average of 3.3 per cent (Table 3.6.3b).

Table 3.6.3b WTO Tourism 2020 Vision: Forecasts of Outbound Travel from United Kingdom by Main Destinations

Destinations	Growth Rates (% p.a.)		
	1995-2020	2000-2010	2010-2020
Total	3.3	3.4	3.2
France	3.8	4.0	3.5
Spain	2.8	3.0	2.5
United States	3.6	3.5	3.5
Ireland	3.6	3.5	3.5
Greece	1.2	1.0	2.0
Italy	1.2	1.0	2.0
Germany	1.4	1.0	1.0
Portugal	2.0	2.0	2.0
Netherlands	2.8	3.0	2.5
Belgium	3.8	4.0	3.5
Other	4.0	4.0	3.8

Source: World Tourism Organization (WTO)

France: The growth of tourists travelling from France is expected to increase at a rate above the overall average for Europe. The average growth rate for the forecast period is expected to be 3.9 per cent. The highest growth rates are expected for traditional destinations such as the UK, Italy and Belgium, whilst Turkey is expected to show strong growth from a relatively small base (Table 3.6.3c).

Table 3.6.3c WTO Tourism 2020 Vision: Forecasts of Outbound Travel from France by Main Destinations

Destinations	Growth Rates (% p.a.)		
	1995-2020	2000-2010	2010-2020
Total	3.9	3.8	3.9
United Kingdom	4.7	4.5	5.0
Spain	0.8	1.0	0.5
Italy	5.0	4.5	3.2
United States	3.4	3.5	3.0
Germany	0.8	0.8	0.6
Belgium	6.3	6.0	6.0
Portugal	3.8	4.0	3.0
Turkey	5.6	6.5	5.0
Tunisia	1.9	2.0	2.0
Morocco	1.9	2.0	2.0
Other	4.2	4.0	4.5

Source: World Tourism Organization (WTO)

Italy: The growth of tourists travelling from Italy is expected to increase at a rate just below the overall average for Europe. The average growth rate for the forecast period is expected to be 3.1 per cent. Of the established destinations Switzerland and United States are expected to show relatively strong growth over the period, whilst emerging destinations such as Croatia and, to an extent, Egypt, will also show high growth rates (Table 3.6.3d).

Table 3.6.3d WTO Tourism 2020 Vision: Forecasts of Outbound Travel from Italy by Main Destinations

Destinations	Growth Rates (% p.a.)		
	1995-2020	2000-2010	2010-2020
Total	3.1	2.9	2.6
France	3.8	3.0	2.5
Spain	0.8	1.0	0.5
United Kingdom	2.9	3.0	2.5
Austria	2.8	3.0	2.0
Germany	3.2	2.5	2.0
United States	3.6	3.5	3.5
Greece	3.8	3.0	2.5
Croatia	4.4	4.5	4.5
Switzerland	4.0	4.0	4.0
Egypt	5.0	5.0	5.5
Other	3.0	3.0	3.0

Source: World Tourism Organization (WTO)

Netherlands: The growth of tourists travelling from Netherlands is expected to grow at a rate below the overall average for Europe, with an annual average growth rate of 3.0 per cent over the forecast period. The established destinations of the United Kingdom and the United States are expected to show the highest growth rates (Table 3.6.3e).

Table 3.6.3e WTO Tourism 2020 Vision: Forecasts of Outbound Travel from Netherlands by Main Destinations

Destinations	Growth Rates (% p.a.)		
	1995-2020	2000-2010	2010-2020
Total	3.0	2.9	3.0
France	1.8	1.5	1.0
Spain	2.1	2.0	1.5
Germany	1.1	1.0	1.0
United Kingdom	5.7	5.0	5.0
Belgium	4.0	4.0	4.0
Austria	0.2	1.0	1.0
Italy	-1.0	1.0	0.8
Greece	0.8	1.0	1.0
United States	4.4	4.5	4.0
Portugal	0.8	1.0	1.0
Other	5.9	6.0	6.0

Source: World Tourism Organization (WTO)

Factors Governing Methodological Approach

WTO collects data from 211 countries and territories: not all of the data are complete; many destinations fail to submit their statistics in a timely fashion; revisions are common place; statistical procedures vary between countries - so we are not always comparing like with like; countries change their data series making any long term series difficult, e.g. Spain in 1996. All of these characteristics of WTO's database militate against the use of sophisticated forecasting models; instead a pragmatic approach involving the adjustment of historical time series (where these are considered reliable) is used.

The use of international tourist arrivals as the parameter for WTO's forecasts is necessitated by the fact that this is the category of data most widely reported by countries using the most standardised definitions. It is far from ideal, taking no account of length of stay or expenditure, but other data series are not sufficiently complete for these to be utilised for the detail of forecasting of this project.

Research Programme

For the *Tourism 2020 Vision* study, our goal was to prepare forecasts for each of WTO's subregional pairs (i.e. 44 in total). A survey was conducted in late 1996/early 1997 with WTO's NTA membership - we received 85 usable responses. A follow-up survey was undertaken in January 1998 with a dozen Asian NTAs to revise forecasts in the light of the Asian financial crisis. A second follow-up survey of 15 Asian NTAs was conducted in September 1998 in response to the deepening and spreading of the economic turmoil.

A survey was undertaken among travel industry leaders - tourism's 50 'visionaries' - about developments that directly (or indirectly) affect tourism. Extensive study was made of publications and other research conducted on economic, social and industry trends (including travel forecasts of aircraft manufacturers); and consideration was also given to the wide range of individuals and organisations who present views of the future from one perspective or another.

This programme of research has given the WTO team the informed knowledge to adjust the historical growth rates for the 44 subregional pairs up (or down) over the period to 2020. Validation research was conducted at regional seminars, where the key findings and conclusions which emerged were 'tested' through presentations and round-table debates in order to reach a consensus. The WTO's forecasts can be seen, therefore, to be both realistic and practical, and constitute a sound working basis on which strategies and plans can be developed and implemented.

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Tuesday, March 01, 2011 7:44:43 AM

Visitor:

Any person who travels to a country other than that in which he/she has his/her usual residence but outside his/her environment for a period not exceeding 12 months and whose main purpose of visit is other than the exercise of an activity remunerated from within the country visited (Recommendations on Tourism Statistics - WTO/United Nations - 1993).

Tourist:

A visitor who stays at least one night in a collective or private accommodation in the country visited (Recommendations on Tourism Statistics - WTO/United Nations - 1993).

Same-Day Visitor:

A visitor who does not spend the night in a collective or private accommodation in the country visited (Recommendations on Tourism Statistics - WTO/United Nations - 1993).

Arrivals:

All data refer to arrivals and not to actual number of people travelling. One person visiting the same country several times during the year is counted each time as a new arrival. Likewise, the same person visiting several countries during the same trip is counted each time as a new arrival.

Receipts and Expenditure:

The figures on receipts and expenditure are given in current United States dollars. They exclude receipts and expenditure for international transport.

Intraregional Tourism:

Refers to arrivals of residents of any country of a particular region to any other country of the same region.

Long-haul Travel:

Refers to arrivals of residents of countries of one particular region to any country of any other region than their own.

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Groupings of Countries and Territories

Europe

Central/East Europe

Armenia
Azerbaijan
Belarus
Bulgaria
Czech Republic
Estonia
Georgia
Hungary
Kazakhstan
Kyrgyzstan
Latvia
Lithuania
Republic of Moldova
Poland
Romania
Russian Federation
Slovakia
Tajikistan
Turkmenistan
Ukraine
Uzbekistan

Western Europe

Austria
Belgium
France
Germany
Liechtenstein
Luxembourg
Monaco
Netherlands
Switzerland

Northern Europe

Channel Islands
Denmark
Faeroe Islands
Finland
Iceland
Ireland
Isle of Man
Norway
Svalbard Islands
Sweden
United Kingdom

Southern Europe

Albania
Andorra
Bosnia Herzegovina
Croatia
Greece
Holy See
Italy
Malta
Portugal
San Marino
Slovenia
Spain
The former Yugoslav Republic of
Macedonia (TFYROM)
Yugoslavia

East Mediterranean Europe

Cyprus
Israel
Turkey

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Special Groupings

Mediterranean

Albania
Algeria
Bosnia Herzegovina
Croatia
Cyprus
Egypt
France
Greece
Israel
Italy
Lebanon
Libyan Arab Jamahiriya
Malta
Monaco
Morocco
Palestine
Slovenia
Spain
Syrian Arab Republic
Tunisia
Turkey
Yugoslavia

Balkan

Albania
Bosnia Herzegovina
Bulgaria
Croatia
Greece
Romania
Slovenia
The former Yugoslav Republic of
Macedonia (TFYROM)
Turkey
Yugoslavia