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LIFESTYLE TRENDS & TOURISM

HOW CHANGING CONSUMER BEHAVIOUR IMPACTS TRAVEL TO EUROPE

CONTENTS

LIFESTYLE TRENDS & TOURISM

HOW CHANGING CONSUMER BEHAVIOUR IMPACTS TRAVEL TO EUROPE

A report produced by the
European Travel Commission
and Future Foundation,
in a series of five
trends-based sections.

THE END OF ADVENTURE?
CONSTRUCTIVE TOURISM
SOCIAL LIVING
PERSONALITY WITHOUT PEOPLE
NO ESCAPE

Brussels, May 2016

Lifestyle Trends & Tourism – How changing consumer behaviour impacts travel to Europe

Data sources: This report is based on research conducted by Future Foundation (www.futurefoundation.net) and should be interpreted by users according to their needs

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FOREWORD

In today's volatile economic climate, changing consumer behaviours have an increasing impact on global commerce. The speed of consumer change, the blurring of traditional demographic boundaries, the growing power of the consumer through technology and the nature of globalisation are making trend determination and their adequate exploitation essential for success. This is particularly important in the tourism sector, where the traveller's selection of goods and services is instrumental for living an experience. Shifts in consumers' travel attitudes and behaviour in terms of experiences sought and responses to marketing messages will ultimately impact their travel product and destination choices.

The European Travel Commission (ETC) has a long history of gathering intelligence on Europe's key overseas travel markets. However, travellers' choices are changing rapidly. Acknowledging the need to capitalise on long-term behavioural and attitudinal consumer lifestyle trends, ETC commissioned Future Foundation to gather new and meaningful insights on opportunities in long-haul markets suitable for action in the European tourism sector.

This report aims to provide meaningful information to ETC members, the 32 National Tourism Organisations of Europe, and contributes to better adapting to consumer needs in long-haul markets. Results are also meant to feed into ETC's promotion of the VisitEurope.com portal and its long-term strategy 'Destination Europe 2020'.

Dr. Peter De Wilde
President
European Travel Commission

INTRODUCTION

Consumers around the world are changing rapidly, in all kinds of ways, and the ways in which marketers attempt to communicate with them is having to change to keep up. They are, for example, becoming more and more demanding of the products and services they buy, more and more tech-enabled and more time pressured. They have less and less time in which to make decisions but higher and higher expectations that those decisions will prove to have been the right ones.

The moments when consumers have the time or inclination to engage with advertising are evolving. No longer do they only take in the home but, instead, can take place anytime or anywhere where there is a decent internet connection, placing ever greater pressure on marketers to ensure that their message is neither skipped altogether or disregarded.

Additionally, the tools via which consumers engage with advertising and their expectations of what advertising can do for them, are placing more and more pressure on marketers to come up with innovative ways to get their messages across and an ever-increasing need to focus marketing content on the specific needs and interests of the individual, instead of marketing to segments or mass populations.

As is the case for marketers across all product sectors, national tourism organisations (NTOs) face significant challenges to their activities. NTOs within Europe have signalled their commitment to, first, understanding, and secondly, to responding to these consumer changes with new tools, messages and usage of new channels.

This report provides a future-facing summary of the most important consumer changes impacting travel to Europe, particularly from the key markets of China, Brazil, the USA and Canada, together with case studies of how these changes are being leveraged within the travel industry, and recommendations for how NTOs and destination marketers should respond.

It is our contention that consumer trends (which are, essentially, changing consumer attitudes or behaviours) come about as reactions to changing contextual factors. One example, might be the contextual driver of an ageing society. It is our view that this "reality" is driving consumer change in all kinds of ways including the growth of a more ageless mentality, as well as phenomena such as the delay of key life milestones.

Accordingly, the report looks first at the most important contextual drivers that are shaping consumer change, assessing a number of important changes related to demographic, economic, technological and environmental factors, in Section 1.

The report then proceeds to look at five key themes of consumer change: The End of Adventure, Constructive Tourism, Social Living, Personality without People and No Escape.

The report has been produced following a detailed programme of both primary and secondary research. It blends a variety of existing consumer insight inputs, including Future Foundation's own nVision Global database and a variety of additional sources from the public domain. It also includes inputs from interviews conducted with travel experts and from an exercise conducted with some of Future Foundation's global network of trendspotters. Further details of the research methodology are included in the Appendix.

EXECUTIVE SUMMARY

THE DRIVERS OF CHANGING CONSUMER LIFESTYLES

1. DRIVERS OF CHANGE

- The **demographic** composition of the world is changing (and is forecast to continue to change):
  - The population of the world is forecast to grow, from 7.3 Bn now to 8.4 Bn in 2030.
  - The proportion of the world population of the world aged 55+ years will grow from 17% of the total population now to 22% in 2030.
  - It is becoming increasingly commonplace to live alone.
- The **economic** balance of the world is changing (and and is forecast to continue to change):
  - There is an ongoing process of economic development in less developed economies that is producing massive numbers of newly affluent consumers.
  - The developing world is accounting for an ever larger share of global GDP, in what is being termed a rebalancing of global power.
  - The emergence of the sharing economy has been rapid and profound. Increasingly, visitors to Europe will be prepared to experiment with non-traditional accommodation.
- **Technology** is driving change in lifestyles (and and is forecast to continue to do so):
  - Ownership of mobile devices and mobile online access is high and/or increasing
  - New technologies such as Wearables and Biometrics, Augmented and Virtual Reality, Beacons and Location-based services, Cashless Payments, Real-time language translation, and Drones will have a great impact on travel over the coming decades:
- The reality of **global climate change** is becoming accepted and is driving behavioural change:
  - The average temperature is projected to be 3°C to 6°C higher by the end of the century
  - Global mean sea levels are forecast to rise.
  - It is forecast that 3.9 Billion people will live under severe water stress.

KEY CONSUMER LIFESTYLE TRENDS IMPACTING TRAVEL TO EUROPE

2. THE END OF ADVENTURE?

New behaviours around tracking and planning are changing the way in which attitudes about risk and reward are formulated and driving a rise in risk-aversion:

- **The Death of Risk** explains how consumers are turning away from high-risk choices in favour of safer ones, and recognises two main sub-trends:
  - **Cruise Control** explores how attitudes towards control are driving risk-averse behaviour
  - The traveller's ability to exercise control and minimise risk will increasingly be something that they can manage via mobile devices **(Mobile Control)**
- **Adventure Reloaded** re-emphasises that adventure still is important to consumer travel:
  - **Last-Minute Living** suggests the planning cycle is getting shorter and more volatile.
  - **Surprise Me!** shows how impulse and adventure are sought even before travel begins.

NTOs must work harder to counteract the increasing ability of potential travellers to find negatives about a destination that can lead to decisions to resort to safety-first alternatives. Doing this will hinge on the provision of pre-travel information that is creative, engaging, novel and transparent.

The future of marketing will centre on the usage of predictive analytics and algorithms to identify targeted product and services offerings based on access to permission-based data streams. Longer-term we expect to see the emergence of ever more sophisticated technologies, based around biometric monitoring, that will enable marketers to go one step further, recognising not just the preferences of individuals, but their likely preferences at a precise point in time.

3. CONSTRUCTIVE TOURISM

Consumers around the world are increasingly redefining constructive behaviours as genuine enjoyment. We assess six trends spread across two main themes that show how this is developing:

- **The Leisure Upgrade** explains how consumers are beginning to imbue their downtime with constructive activity and meaning, within which we characterise three key ideas:
    - **Cult of Creativity** explores how attitudes towards creativity are becoming more positive.
    - **Liquid Skills** explores attitudes around constantly upskilling, acquiring new knowledge, and the idea that being able to learn is a skill that ought to be nurtured.
    - **Dark Tourism** explores the idea that travellers are beginning to seek more well-rounded views of the places they travel.
- The **World Wide Wellness** trend explores how the concept of "wellbeing" has sprung into mainstream consciousness in the last few, including two key ideas, as follows:
    - The **Everyday Athlete** looks at the growth of athleticism into a mainstream aspiration.
    - **Great Minds** discusses the global interest in mindfulness.

NTOs must recognise the more actively participatory nature of future travellers. While, non-purposeful, relaxing vacations will still be a feature of the future travel landscape, more and more visitors will want to come back from their trips with new skills or knowledge.

NTOs must recognise that wellness is becoming so engrained in the lives of people around the world that they will increasingly want to include explicit wellness offerings within their travel.

4. SOCIAL LIVING

Consumers today socialise online and look to friends, family and contacts to provide unbiased recommendations and advice. We assess three key social trends in two categories:

- **Performative Leisure**, explains the ongoing consumer need for social currency on the internet. Performing a convincing identity online is becoming extremely important:
    - **Consumer Capital**, explores how consumers are using their own social media activity in exchange for rewards from brands.
    - **Timehopping**, an extremely emergent trend explores how consumers are beginning to treat the maturing social media landscape as digital successors to the photo album.
- **Peer Power**, explores social perceptions of the idea of "peer" in a world where start-ups and entrepreneurial culture is increasingly glamorous. A knock-on trend from this is:
    - **Connected Communities**, which explores how both social media and the normalisation of peer-to-peer service has contributed to the de-mystification of "strangers".

NTOs must go beyond generating shareable content media and tapping into influence networks; they must collaborate with consumers' own content generation to help them gain social recognition and online validation from their peers. NTOs must also capitalise on current trends that glamourise peer-to-peer and "startup" culture by making their collaboration with local grassroots and small businesses explicitly visible; and further forward, creatively innovating in ways to collaborate.

In the long-term future, NTOs must also keep pulse on consumer attitudes towards online sharing and privacy; they must incentivise consumers to keep social media profiles not only openly visible to brands and institutions, but indeed populated with uncensored content that will help those brands and institutions inform tomorrow's products and services.

5. PERSONALITY WITHOUT PEOPLE

The consumer appetite for online remote services or in-person automation is warming - but slowly. We still see an underlying need for emotional understanding and security alongside the growing need for efficiency and immediacy based around three trends in two areas:

- The **Depop!** trend discusses the growing expectation of automation:
    - **Cashless Society** discusses the fact that inbound travellers to Europe will increasingly expect new payments innovations as standard
- **Computers Learn Human** suggests that the reservations still remaining about automated services may soon decline as services increasingly bring a human touch to machines, via the two trends:
    - **Emojinal Intelligence** explores the consumer need for emotion in a digital world
    - **Instant Concierging** is our term for the increasing use of instant messaging platforms to offer prompt and responsive customer service

NTOs, visitor attractions and hotels need to reassess their processes, providing human and automated versions to cater for alternative groups of visitors, but at the same time, not neglecting the need for person to person interaction.

Longer term NTOs need to utilise new technologies to optimise in-person interactions – examples of possibilities here include using the reimagining of Google Glass , maximising the usefulness of "algorithm-driven" customer service, using emotional language (eg emojs)in digitised communications and adding a human dimension to online interactions.

6. NO ESCAPE

The consumer desire for a "digital detox" will undergo profound change over the coming decades. With strong ties to health and wellbeing but serious challenges to control, we explore underlying needs:

- **The Power of Quiet,** which discusses the wish to go "off grid"
- **Casual Connectivity** suggests that the current consumer need to detox will in the future as increasingly tech-dependent consumers use more passive technology solutions.

In the short-term, NTOs need to respect some consumers' needs for privacy and downtime. Targeting information should only ever be permission-based and could include additional layers of consent e.g. how to notify, when to communicate, what to provide.

Longer-term we advocate that NTOs need to be aware of the rise of casual connectivity, both in terms of demand and supply, and the consequent decline in appeal of digital detox options. There will come a time when technology gets so much better at knowing when to interrupt us, that the need for digital detox will vanish.

1. THE DRIVERS OF CHANGING CONSUMER LIFESTYLES

When thinking about how changes in consumer attitudes and behaviours will impact the future of travel to Europe, it is helpful to start by thinking of those overarching factors that cause change amongst consumers.

Consumers do not spontaneously, or without due cause, change how they live, or want to live. They do so in response to changes in the world around them. The economic downturn (and subsequent upturn), for example, caused changes in consumer price sensitivity and willingness to spend. The fact of demographic change is causing consumers around the world to change the way they define their lifespans and life milestones. Meanwhile, increasing technological capabilities and innovations are changing the ways in which people work, entertain themselves, communicate and purchase.

The purpose of this initial section of the report is to set a context within which the consumer trends that will be discussed in later sections should be viewed, not to offer a detailed overview of technological, economic, environmental or demographic change. Nor is it appropriate here to try to summarise and explain the complexity of global diversity. In reporting headline global stories, we do not, in any way, intend to suggest that this is the situation everywhere and accept that the situation in specific might be quite different.

We believe the forces in question are both well documented and well recognised, so will offer up only the briefest of validations for each, though we will highlight where the reader can look for further evidence if it is needed. We would like to start with a number of general assertions about the world of the medium-term future (2030), giving just a token amount of supporting data for each. Then we will consider what these changes will mean for the way that consumers around the world will live their lives in the future, both in general terms and more specifically related to the ways that they will travel.

These assertions fit into four broad headings, namely:

1.1 The **composition** of the world is changing (and will continue to change)

1.2 The **economic balance** of the world is changing (and will continue to change)

1.3 **Technology** is driving change in lifestyles (and will continue to do so)

1.4 The reality of global **climate change** is becoming accepted and is driving change

1.1 THE COMPOSITION OF THE WORLD IS CHANGING

We would like to start by reasserting three widely accepted truths regarding global demographic change. We believe the evidence for these is substantial but will offer only a flavour of it here:

1. Firstly, the population of the world is **growing**, and is forecast to continue to grow. From 7.3 Billion now to 8.4 Billion in 2030.
2. Secondly, the population of the world is **ageing**, and is forecast to continue to age. From 17% of the total population aged 55+ years now to 22% in 2030.
3. Thirdly, it is becoming increasingly commonplace to live **alone**.

GLOBAL DEMOGRAPHIC CHANGES

	Global	Brazil	Canada	China	USA
Total population size, millions					
2000	6,100	172	31	1,271	282
2015	7,300	208	36	1,377	321
2030	8,400	229	41	1,415	359
% of population aged 55 yrs+					
2000	13%	11%	-	13%	21%
2015	17%	16%	29%	21%	27%
2030	22%	24%	34%	32%	31%
% of population (or households) that are solo					
2015		3%	28%	14%	27%
% of population that is urban					
2000	47%	81%	80%	36%	79%
2015	54%	86%	82%	56%	82%
2030	60%	90%	83%	71%	88%

Source: Oxford Economics | United Nations, Department of Economic and Social Affairs, Population Division. "World Population Prospects: The 2012 Revision"

WHAT DO THESE CHANGES MEAN FOR CONSUMER LIFESTYLES?

AGELESS LIVING

The citizens of the world are not just living longer, on average. They are also "staying stronger for longer". One of the direct impacts of increased life expectancy is that consumers want to live agelessly, that is, with less rigid expectations of what constitutes "age-appropriate" behaviours and with fewer age-related limitations.

The following two charts are based on how consumers of different ages perceive themselves in age terms. They were asked to rate how old they feel, on scale of 1 to 10, where 1 is very young and 10 is very old. The first chart shows those giving scores of 1-4 on this scale, showing the percentage of consumers who describe themselves as young, at least in terms of *feeling* young, while the second shows those giving scores of 7-10 on the same scale, equating to a perception of feeling old.

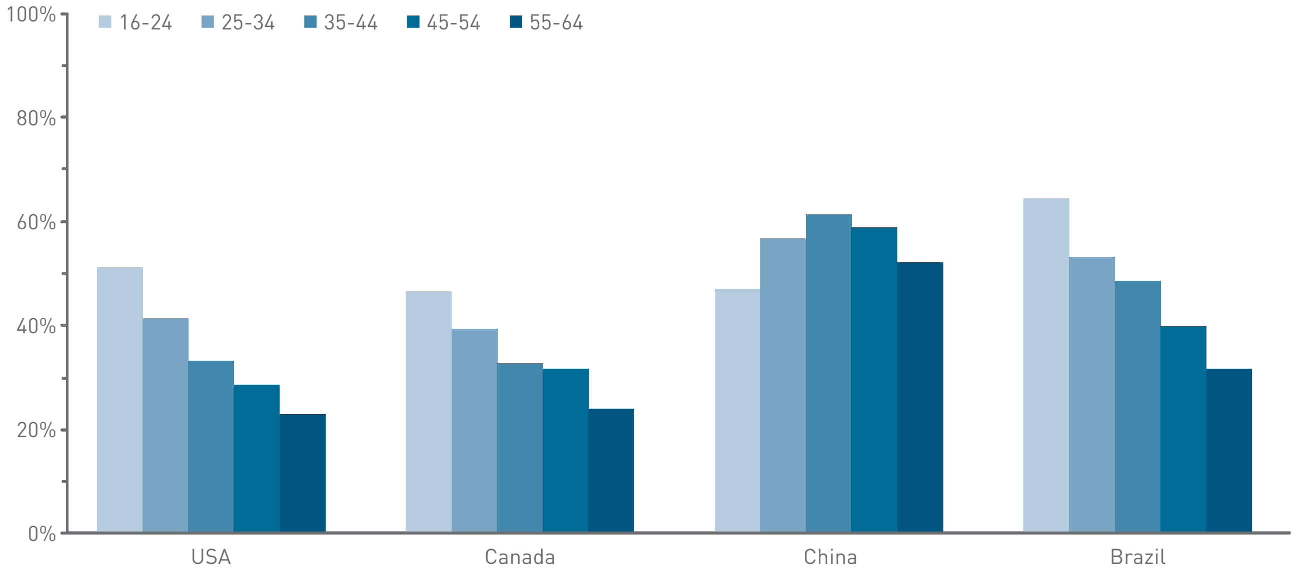
Not surprisingly, more young people feel youthful than is the case for older consumers. But even amongst those aged 55-64 a significant number still feel young – averaged across 25 global markets, more describe themselves as "feeling young" (43%) than describe themselves as "feeling old" (19%). Even more interestingly, the same is true among older consumers, 55-64 years of age (43% of this age group say they feel young while only 27% say they feel old). Clearly, the age at which we start to admit we are "old" is much later than it used to be. The charts show the corresponding figures within key markets of interest.

SELF-PERCEPTIONS OF AGE

THOSE WHO FEEL YOUNG

"On a scale from 1 to 10, how old would you say you feel, where 1 is very young and 10 is very old?" | % who respond 1-4

Chinese respondents aged 55-64 are more likely to feel young than those aged 16-24. But in Germany, far fewer older people report feeling young.



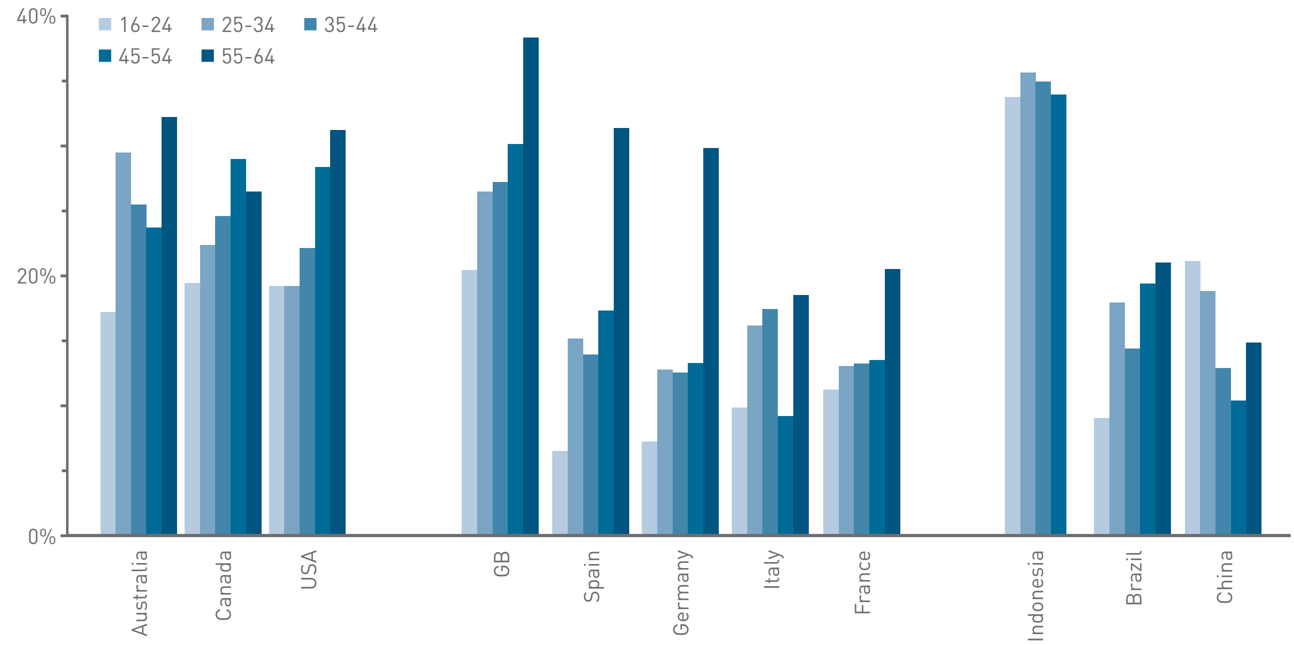
Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

SELF-PERCEPTIONS OF AGE

THOSE WHO FEEL OLD

"On a scale from 1 to 10, how old would you say you feel, where 1 is very young and 10 is very old?" | % who respond 7-10

In China, people aged 55-64 are less likely to feel old than those aged 35-44.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

The point is this: we do still see age-related differences in attitudes and behaviours. Indeed, later throughout this report, we provide data to prove that the trends we are discussing affect some age groups more than others. But the key point is that we believe such differences to be far less pronounced now than they were a generation or more ago, and also that in the future they will be even less important.

There is another layer to this too. Even if age does still play an important part in helping marketers to target their product offerings and their communications, many consumers, particularly those in the middle of life or older consumers, do not wish to play this game. They do not want to be marketed to on the basis of their age. The key word is *inclusion*, rather than exclusion.

While age is still an important determinant of attitudes and behaviour we believe, that other factors can lessen or even overturn its importance completely. A less-educated, lower-income, older consumer, with significant health challenges, will indeed act very differently from a younger person from the same country. But the gap between a younger consumer and a highly educated, high income, fit and active older consumer is now much smaller and will continue to narrow.

Feeling young is only part of the story; nowadays people also want to look young. According to nVision survey research, averaged across 25 global markets, increasing numbers of people agree that:

- "People should make an effort to look their best at any age" (the % who agree or agree strongly increased from 58% in 2010 to 71% in 2014)
- "Old people should not wear fashions designed for young people" (the % who agree or agree strongly with this statement increased from 27% in 2010 to 34% in 2014. Nearly as many disagreed with this statement – 35% in 2014 and 38% in 2010)

A few quotes from Future Foundation's trendspotter network around the world help to illustrate these changes more qualitatively:

"Older people have different interests than younger. However, **there is a huge increase of older people trying to catch up on the young generations:** there are courses for elderly to learn how to use computer/internet, universities offering courses to the elderly, tourism agencies specialising in old people."

FEMALE, 37, BRAZIL

"I do spend a lot on things that I wouldn't in the past, like clothes, skin products and travel. **I want to do all of those things that I wanted when I was young but couldn't** because of work, family commitments and lack of money. **I want to enjoy while I am healthy!**"

FEMALE, 67, BRAZIL

"I think the gap between older and younger people is definitely closing in middle-class and upper-middle-class Indian families. My parents are on the Internet and have smartphones and iPads. My grandmother (87) watches the news on TV so we can have discussions on topics like politics and even dance shows. **They don't see any reason to not be a part of things.**"

FEMALE, 30, INDIA

"A big part of the older population in Germany is **so fit now** that **they can hardly be distinguished from the rest.**"

FEMALE, 25, GERMANY

"I've been seeing more older people than usual in regular advertising (ie for products not directly targeted at older people), which wouldn't have been possible 10 years ago. I know that older people **tend to stay active longer**, which is why they become targets for advertising".

MALE, 24, PARIS

LIFESTAGE DELAY

A number of contributing factors mean that people across the world are reaching key life landmarks at gradually later points in their lives. Major life milestones, such as getting married, moving out of the parental home, having children, reaching retirement, are gradually happening later in life when compared to just a few decades ago. It is, of course, true that different countries show varying rates of change. It is also true that this phenomenon, which we call **Lifestage Delay,** is more easily identified in urban, developed regions of the world, while in rural areas patterns of life are typically more in line with traditional ways of doing things.

There is growing acceptance of delayed life events around the world. This can be attributed to a number of socio-economic forces: greater numbers (most notably, women) pursuing further education; the demands of working-life in a globally competitive market; the financial barriers that young adults in many markets face to starting a family, buying a home, getting married, and so on; in developed economies especially, the increase in cohabitation among couples not yet wed; the pressure of financing retirement (at the same time as financially supporting younger generations for longer), are just some factors influencing this change. Arguably the bigger macro-level driver, however, is increased life expectancy. Growing up with an expectation of more "time" within which to experience all that life to offer than was previously the case, has given the consumers of today more "space" to stretch out in and less pressure to conform to set patterns of how to live their lives.

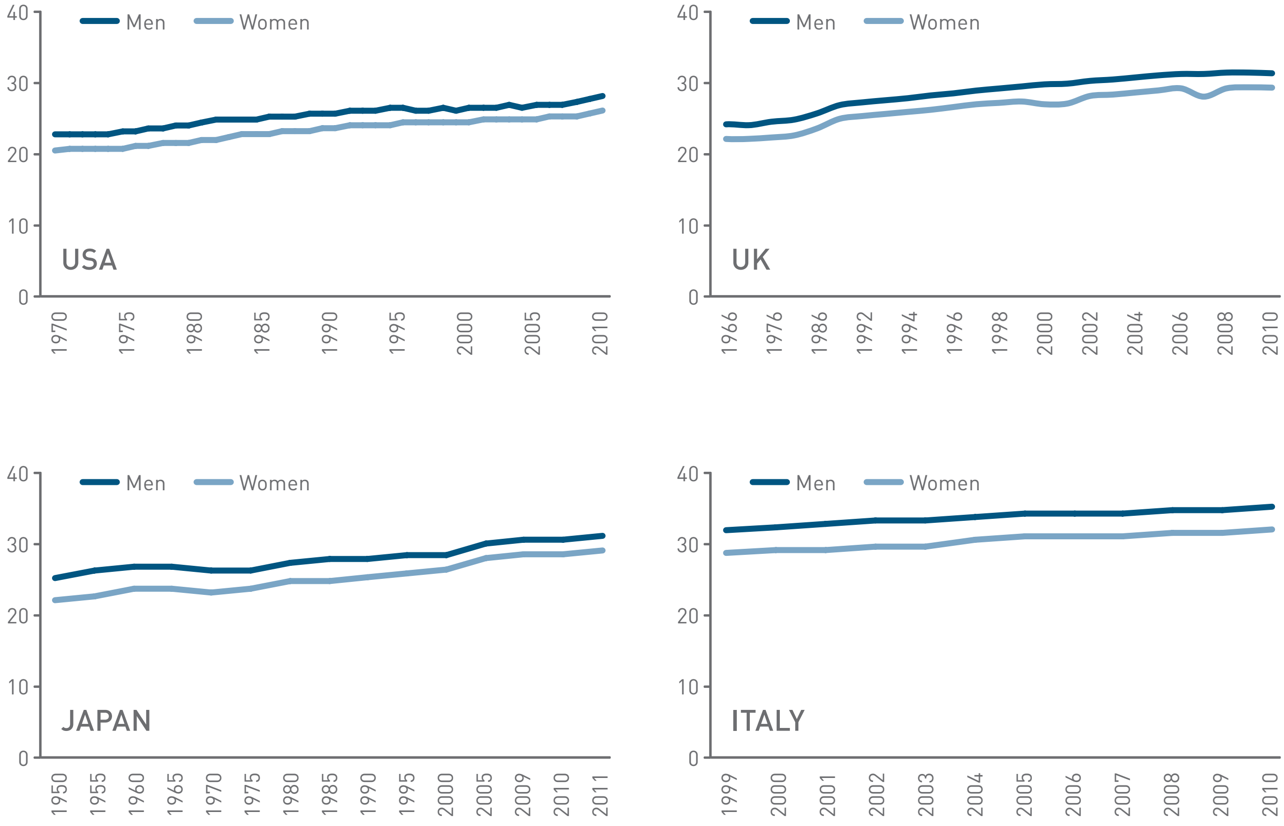
AGE OF MARRIAGE

In many markets, the age at which individuals marry has risen significantly in a generation. As the data in the chart below shows, by the 10s, US women were marrying, on average, 5.7 years later than they were in 1970, and a similar pattern is evident in other Developed markets, such as the UK, Japan and Italy.

AGE AT FIRST MARRIAGE

LONG-TERM SHIFTS TOWARDS DELAY

Age at first marriage, by gender



Source: US Census Bureau/Ministry of Health, Labour and Welfare Japan/Istat/ONS

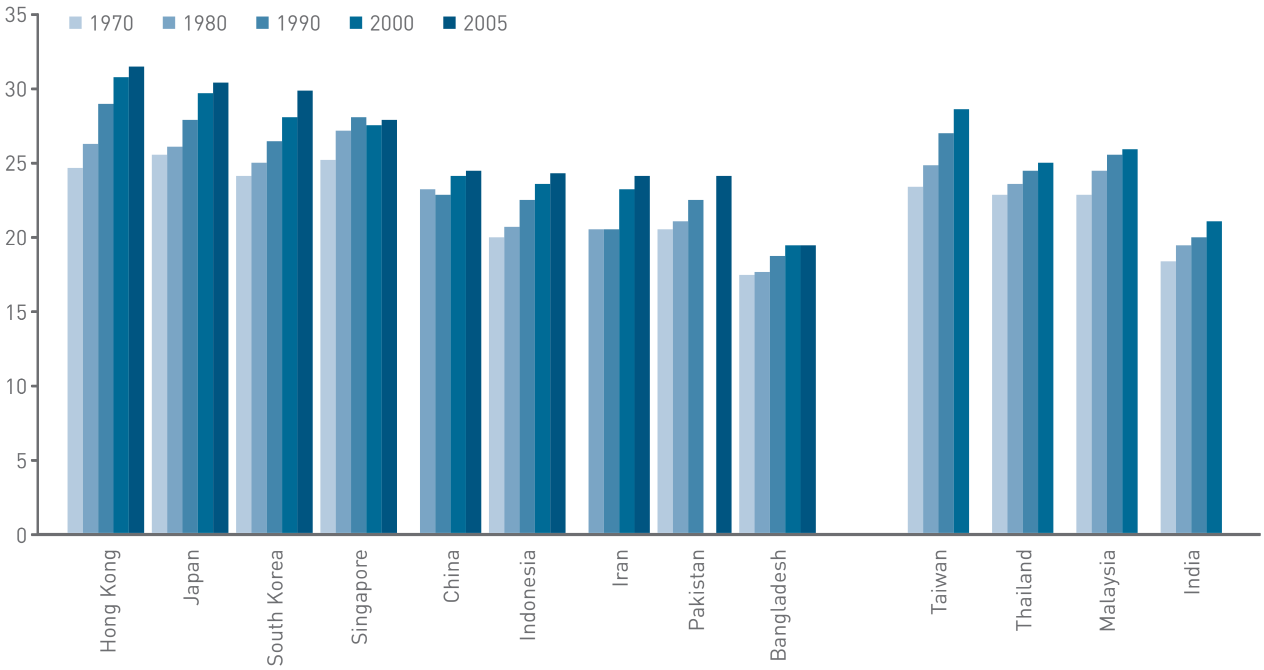
Across Asia, the age at first marriage has steadily increased. As revealed in the chart below, women in Hong Kong on average married at 30 in 2005 compared to 25 in 1980. This is the result of more women entering higher education and developing career ambitions of their own.

THE MARRIAGE DELAY IN ASIA

WOMEN MARRYING LATER

Average age at which women first marry in selected Asian countries, 1970-2005

Across Asia, the age at first marriage has steadily increased. As revealed in the chart below, women in Hong Kong on average married at 30 in 2005 compared to 25 in 1980 - the result of more women entering higher education and developing career ambitions of their own.



Source: Asia Research InstituteSource: nVision Qualitative Research

"Marriage is still a very important event in Chinese life. In China, **women are considered old if they are single and over 30**. However, in cities, there are more and more single young people and more and more couples stay together without getting married".

MALE, 40, BEIJING, CHINA

AGE OF HAVING CHILDREN

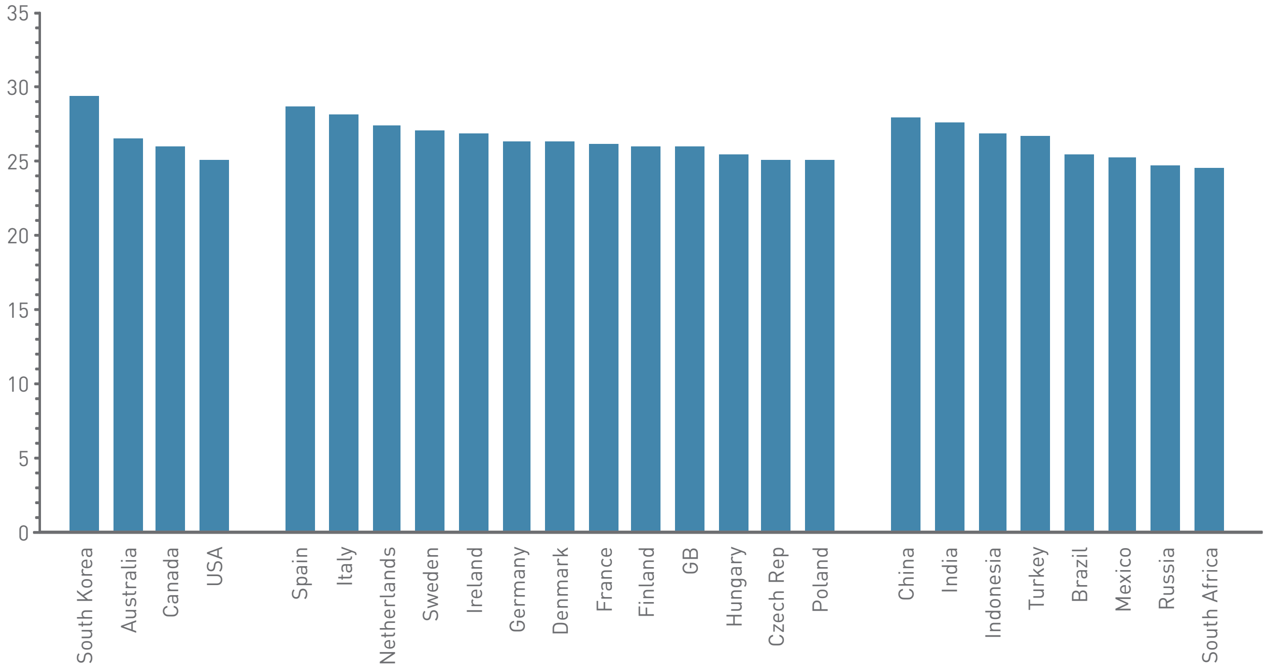
According to the OECD[1], the share of countries with a current mean age at birth of 30 of above represents a considerable increase on earlier years, reflecting a shift across OECD countries towards delayed childbearing - between 1970 and 2012, most OECD countries experienced an increase in the mean age of women giving birth of between 2 and 4 years, with the OECD average mean age increasing from 27.5 to 30.1. Moreover, they attribute increases in the mean age of women at childbirth, at least in part, to a trend towards postponement of the first birth.

Moreover, this is a global phenomenon – the chart below shows the claimed age of first becoming a parent across 25 global markets.

1. Organisation for Economic Co-operation and Development (OECD). "SF2.3: Age of mothers at childbirth and age-specific fertility" http://www.oecd.org/els/soc/SF_2_3_Age_mothers_childbirth.pdf

AVERAGE AGE OF HAVING A FIRST CHILD

"At what age did you do each of the following for the first time? If you are currently doing this, please include your current age" | Had a child | 2015



Source: nVision Research | Base: 1000-5000 online respondents who have had a child per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Again, some of our qualitative work can help to illuminate these changes:

"My son is nearly thirty and he and his girlfriend are still a long way from marriage based on what he tells me, let alone a child. It's understandable, **they have other priorities at the moment that they want to focus on before taking that big leap**, but it's certainly very different from when his father and I were his age".

FEMALE, 57, BRAZIL

"I do not want to marry too young, even with all the pressure society imposes. **I wish I could choose freely and not have someone dictate when I should start a family**. My parents have been quite open to the idea of me getting married at a later age but they just told me they wish it is a Chinese person and not a foreigner".

FEMALE, 22, CHINA

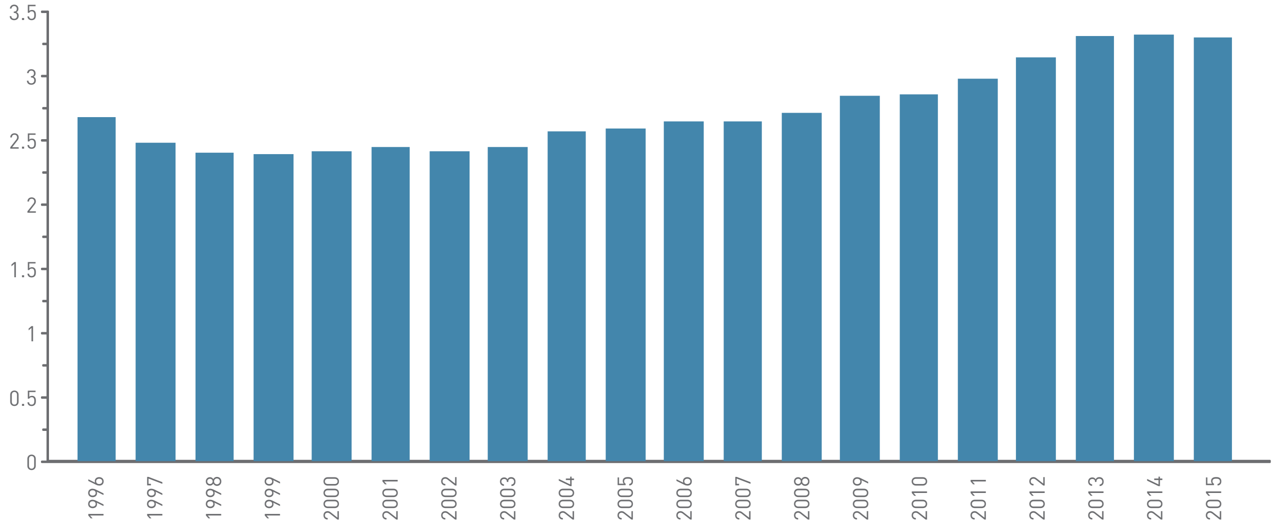
STILL LIVING AT HOME

The final "knock-on" effect of ageing-driven lifestage delay that we will cover in this report is that young adults are tending to stay longer in the parental home before moving out to establish their own home. This has long been a culturally-driven phenomenon, with some nationalities (such as Southern Europeans) traditionally remaining in the parental home than others. However, driven by difficult economic conditions, poor employment prospects and high housing costs in some markets, it is becoming a global habit.

The data below from the UK shows that the number of adults living at home has risen year on year over the past decade or so. The second chart shows that the proportion of males and females of different ages still living in the parental home declines rather steadily with each additional year of age, rather than there being a specific age at which large numbers of Brits move out on their own.

YOUNG ADULTS LIVING WITH THEIR PARENTS

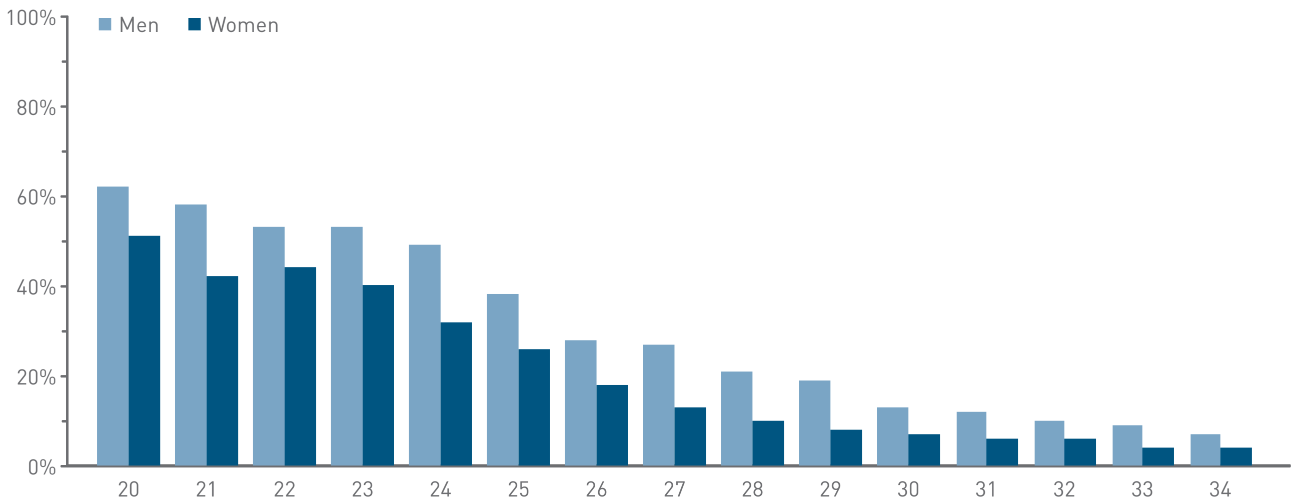
NUMBER OF MEN AND WOMEN AGED 20-34 LIVING WITH PARENTS, IN MILLIONS | 2015



Source: Young adults living with parents, ONS/nVision | Base : UK, 2015

YOUNG ADULTS LIVING WITH PARENTS, BY AGE AND GENDER

% OF MEN AND WOMEN AGED 20-34 LIVING WITH PARENTS | 2015

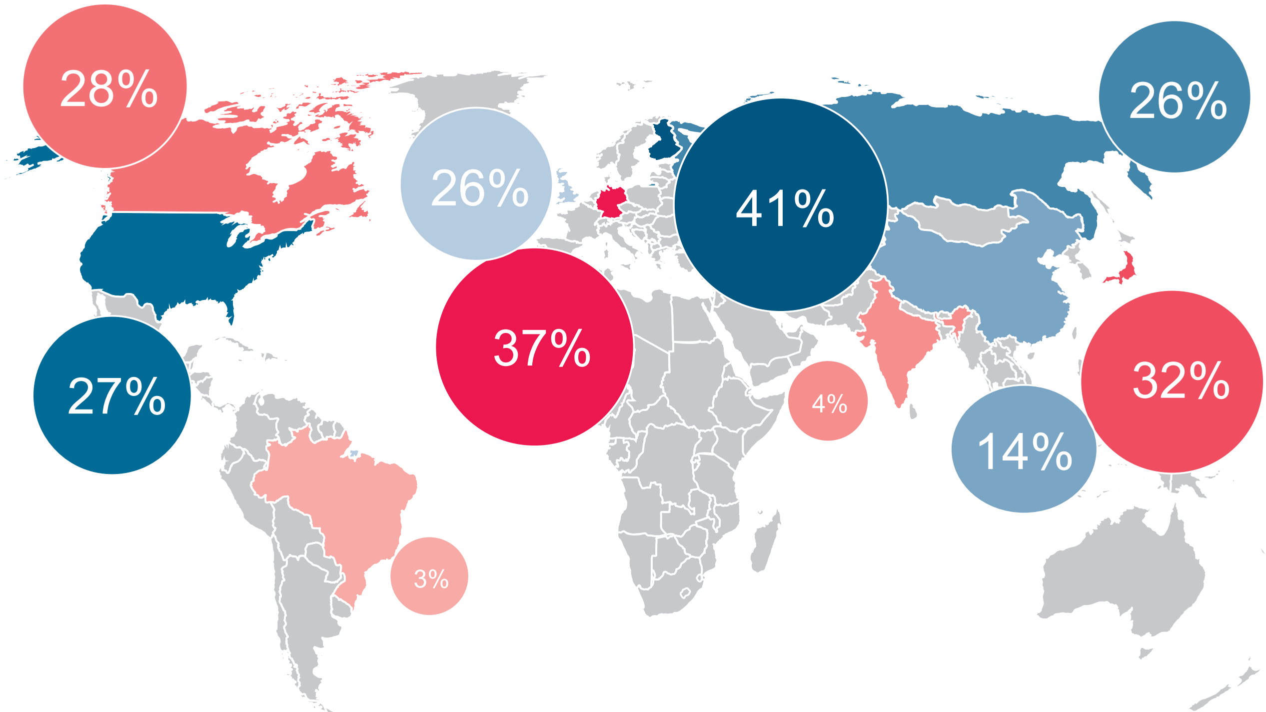


Source: Young adults living with parents, ONS/nVision | Base : UK, 2015

SOLO LIVING

As we have already mentioned, large numbers of consumers around the world live alone, particularly in Developed Markets in Europe, North America and Asia. While the numbers are lower in Developing Markets such as Brazil and China, they still represent a significant minority.

PROPORTION OF OPH (ONE PERSON HOUSEHOLDS) AS A PROPORTION OF ALL HOUSEHOLDS IN SELECTED COUNTRIES



While it is difficult to find definitive and comparable global sources showing how living alone has increased, there is plenty of anecdotal and market specific evidence that does:

- The UK Office for National Statistics analysis reported in the Telegraph shows a 600,000 (or 10%) increase between 2001 and 2011 in the number of people living on their own
- The proportion of Americans who live alone has grown steadily since the 1920s, increasing from roughly 5 percent then to 27 percent in 2013, according to the latest Current Population Survey from the Census Bureau reported in the Washington Post
- An article in the International Business Times describes the increasing phenomenon of dying alone in Japan, where 5 million elderly people die alone
- An Economist article described how, in their view, the Chinese state is unprepared for rising numbers of old people living alone

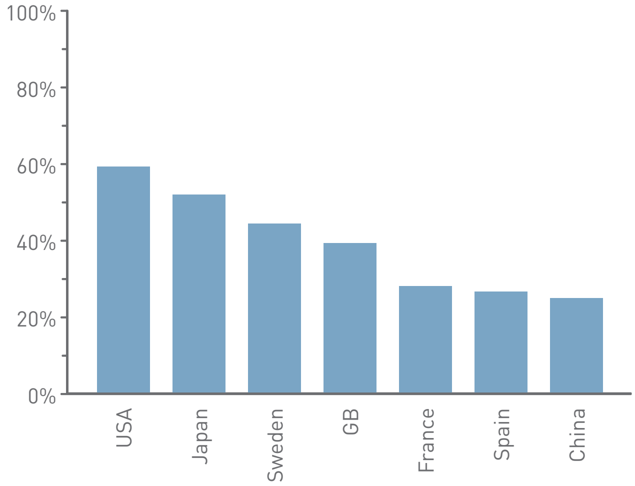
There are, naturally, a variety of individual choices and circumstances that can lead to someone living on their own, whether out of choice or not. And while we recognise the profound social isolation and misery that can characterise solo living for many, particularly the low income elderly who do so, we also believe that social attitudes towards solo living and the experience of living on one's own are evolving. Solo living, either as a permanent situation, or if realised by seeking out moments of solitude is increasingly being recognised as providing respite from crowded cities or demanding families. Furthermore, online social interaction is increasingly meaning that solo living is becoming about being physically alone, but not, necessarily isolated from interaction with the outside world.

Solo living may or not, of course, mean solo travelling. Those that live alone may meet up with friends and family to travel but there is evidence, such as this article from Travel Market Report, that suggests that solo travel is increasing. They quote evidence showing that from 2011 to 2014, for example, SITA World Tours' solo traveller bookings increased by nearly 64%, generating an increase of more than 90% in sales for the company.

Our own evidence, while not as tightly focused on travel, suggests that significant numbers of consumers, especially in markets such as the US, are comfortable eating on their own.

I FEEL COMFORTABLE EATING IN A RESTAURANT ON MY OWN

"How strongly do you agree or disagree with the following statements?" | % who agree strongly or agree | 2015



This trend also has potential overlap with the increasing automation of the travel and tourism sector, which we discuss in a later section. In July last year a hotel opened in Japan (the Henn-Na in Nagasaki) where the whole experience from start to finish could be conducted alone and without human contact. Guests enter the hotel, and check in via the humanoid check-in desk robot. A robot porter takes bags to the room. A robot called tulip blinks on the bedside table and acts as concierge, letting guests order room service and wake up calls.

Source: nVision Research | Base : 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

CASE STUDY: Henn-Na

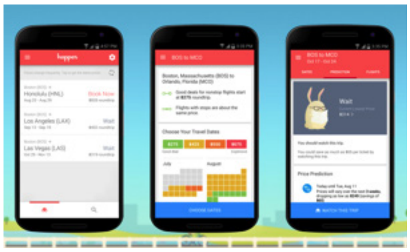
Huis Ten Bosch is a Dutch themed amusement park situated outside Nagasaki, Japan. Located on the site is Henn-na Hotel, a hotel entirely staffed by robots.

The hotel is staffed by 10 humanoid robots, which look like young Japanese women and are able to mimic human behaviours such as breathing and blinking. The humanoids are able to make eye contact and can respond to certain forms of body language and tone of voice. They are fluent in four languages, English, Japanese, Chinese and Korean.

In each of the 72 rooms in the hotel, a pint-sized pink and green cartoon like robot, called 'Churi-chan', awaits instructions before informing guests on topics such as the weather tomorrow. She is able to adjust the lighting, check room temperature and set alarms.

The hotel also features a number of other tech novelties, such as facial recognition to open room doors, vending machines in the cafe and radiation panels capable of detecting body heat and adjusting room temperatures accordingly.

NOTEWORTHY STRATEGY?



Although there are 10 staff working behind the scene in the hotel, surveying the hotel through security cameras and stepping in if the technology fails, guests normally don't encounter real humans during their time staying at Henn-na.

This automation has increased efficiency, as well as differentiating the hotel from others in the area. There are some reservations about the hotel, as some problems have been encountered by guests, such as the facial recognition not working, and lights suddenly coming on during the middle of the night and the robots not being equipped to answer all queries

We want to provide a pleasant and comfortable hotel to stay in, at a more reasonable price. While equipping modern "smart facilities" that is also friendly to the environment, we wish to bring "fun" that will encourage people to visit, and also wish to create lasting memories. The use of robots is not a gimmick, but a serious effort to utilise technology and improve efficiency while saving on labour costs.

We will make the most efficient hotel in the world. In the future, we'd like to have more than 90 percent of hotel services operated by robots. In the future, we're hoping to build 1,000 similar hotels around the world."

HIDEO SAWADA, PRESIDENT OF THE HUIS TEN BOSCH SPEAKING TO ASSOCIATED PRESS, JULY 2015

WHAT DO THESE CHANGES MEAN FOR MARKETERS IN GENERAL AND FOR NTOS MORE SPECIFICALLY?

Opportunities to lead a more varied lifestyle post-retirement and post-family stage will give rise to demand for improved and less overtly "senior" leisure options for the mature segment. So many aspirations will become less distinguishable by age. Older consumers will become more resistant to marketing that is specifically targeted to their age group and will be more likely to be receptive to age-inclusive communications which do not highlight age in a direct or overt manner. Nevertheless, older consumers will appreciate products and brands that make them feel and look younger given the rising pressure to remain youthful and attractive even as we age.

The Lifestage Delay trend represents a clear shift towards less rigidly predictable life trajectories for consumers - and brings with it profound implications for how brands should target and communicate their offers. As major life events become less tied to a particular age group, any age-based assumptions we make regarding a person's particular lifestage or situation are weakened, meaning that we can predict less based on just a person's age than used to be possible. Consumers in their twenties and thirties nowadays have more opportunities to concentrate on their personal development prior to family formation because there is less pressure to achieve this part of their life plan by any specific age. Therefore, they are more disposed to focusing on career progression, education, relationship-experimentation, travel, and accumulating new experiences than would previously have been the case. Delays to retirement will exert the biggest impact in the next 10 years, with expectations of working life being redefined, and suggesting that older consumers will have more money but less free time than they used to, by virtue of still being in work.

Solo living does not necessarily mean solo travelling. But with increasing numbers of people living alone, and becoming comfortable or at least used to be alone, and with the stigma associated with pursuing leisure activities on a solo basis lessening, the travel industry is anticipating a surge in the numbers of solo travelers.

We'd also encourage the travel and tourism industry to assess how its offering cater to all combinations of a visitor's current living situations and their travel preferences. So, for example, those who live alone may choose to travel alone, or to travel in company. And those who have no friends or family to call upon to accompany them might appreciate the airline, tour company or NTO facilitating introductions to other people in the same situation, on their behalf. Similarly, those who do not live alone might still choose to travel alone, under certain circumstances.

What this means in practice is that the common perception amongst travelers that the travel industry discriminates against or financially penalizes solo travelers, for example, with higher rates for single occupancy, will cause annoyance to an increasing number of travellers. It also means that hotels and visitor attractions/destinations will do well to think about the welcome they extend to solo visitors.

1.2 THE ECONOMIC BALANCE OF THE WORLD IS CHANGING

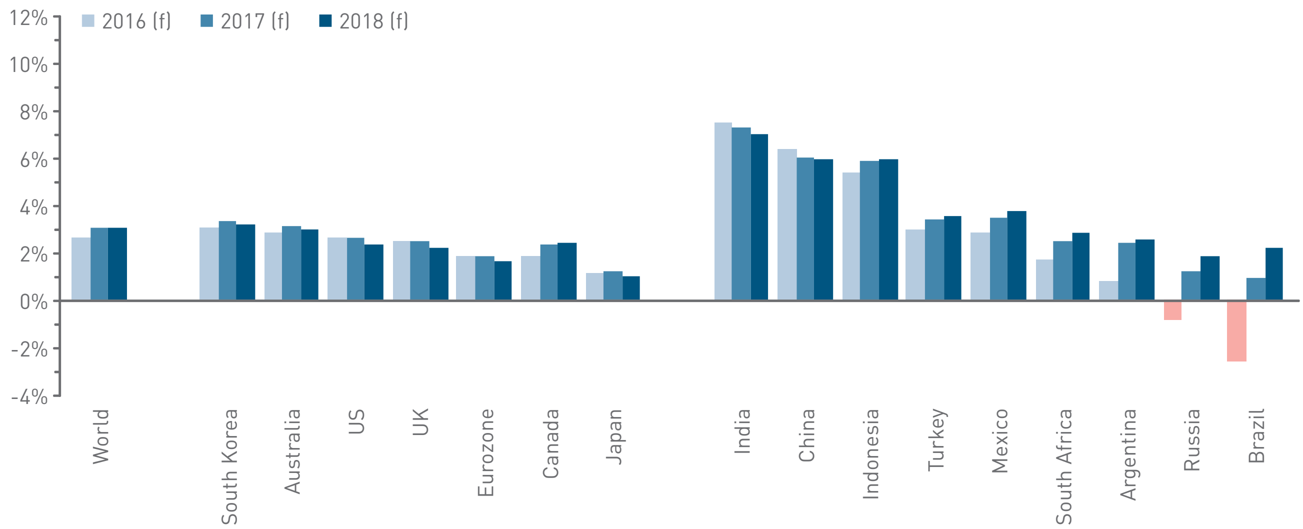
We'd like to start this section by reasserting two widely accepted truths regarding global economic change. We believe the published evidence for these is substantial but will offer only a flavour of it here, before moving on to a consideration of what this change means for consumer lifestyles, and hence for travel to Europe:

1. Firstly, there is an ongoing process of economic development in less developed economies that is producing massive numbers of newly affluent consumers.

2. Secondly, the developing world is accounting for an ever larger share of global GDP, in what is being termed a **rebalancing of global power.**

PROJECTED GDP GROWTH IN KEY GLOBAL ECONOMIES

% CHANGE YEAR-ON-YEAR, JANUARY 2016 PROJECTION



Source: Oxford Economics/nVision, January 2016

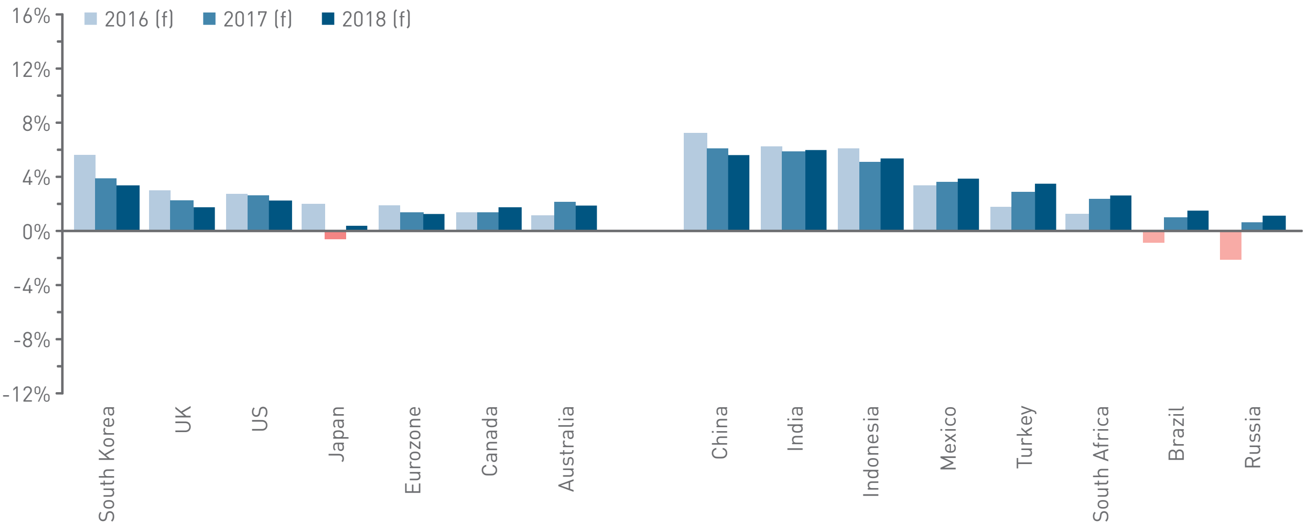
The chart above shows projected GDP growth for a number of markets around the world for this year (2016) and the next two years, sourced from Oxford Economics. Clearly, we recognise the difficulty involved in medium-term economic forecasting and the complex array of factors from oil prices to labour costs, among many, that drive global and local development. We include these figures only to illustrate the current divide between so-called Developed Markets, that are set to grow at less than the global average in 2016 and Developing Markets likely to grow at above the global average. Assuming that these growth rates, and indeed this pattern of variation, persist, it is likely that we will see even more of the citizens of those markets becoming more affluent than they are at present. Even if the growth rates were to drop to more modest levels we should still expect to see more and more middle-class Chinese, Indian and Indonesian citizens, as well as more affluent consumers from other emerging markets.

It is all too common to group these markets together under one of the shorthand acronyms such as BRICs (Brazil, Russia, India, China) or MINTs (Mexico, Indonesia, Nigeria, Turkey). It is certainly true that these markets do indeed share certain characteristics that make them appealing to international marketers. They usually have large and growing population and they often exhibit strong economic growth. But, as the chart above shows, there is actually considerable diversity between emerging markets. While the strong growth rates in India and China have already been discussed, these should be contrasted with an expected contraction of the Brazilian market (by 2.6%) and the Russian market (by 0.9%) in 2016, before these markets return to positive growth in 2017 and 2018.

Clearly, this suggests that market by market strategies that take account of local economic growth, unique local cutural factors and previous historical relationships with specific European destinations will need to be employed by European NTOs.

GLOBAL REAL DISPOSABLE INCOME GROWTH, YEAR ON YEAR

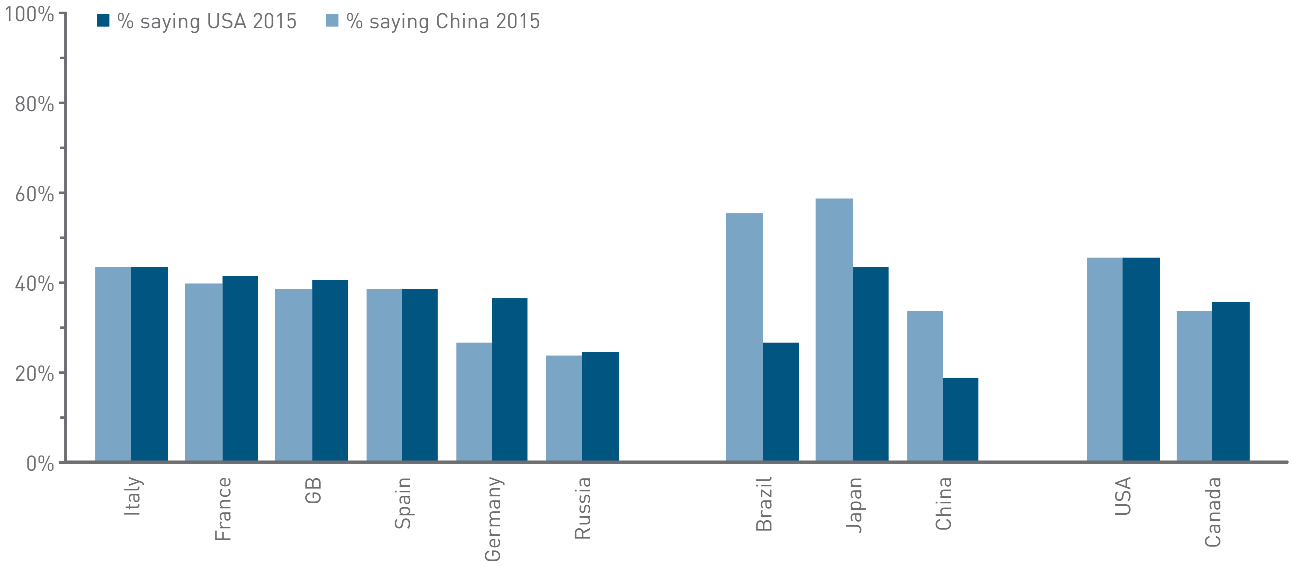
OXFORD ECONOMICS FORECAST, JANUARY 2016 PROJECTION



Source: Oxford Economics/nVision, January 2016

VIEWS ON THE WORLD'S LEADING ECONOMIC POWER

"Today, which one of the following do you think is the world's leading economic power?"
| % who view the following countries as the world's leading economic power | 2015



Source: Pew Global Attitudes/nVision | Base: 1,000 telephone and face-to-face respondents per country, aged 18+, 2015

It is also worth bearing in mind that this discussion of the "rebalancing" of the global economy with the balance being shifted towards Developing Markets is being carried out at arguably the lowpoint of the Developed Markets as the effects of the global economic downturn have their lingering effects. Oxford Economics data suggests that during the period from 2007-2015 so-called advanced economies contributed 28% of global GDP growth during this period. As the Developed Markets pick up and some of the Developing Markets experience something of a slowing down, it is expected that:

- Advanced economies will contribute 51% of global GDP growth during 2016
- Advanced economies will contribute 44% of global GDP growth during 2017-2010

WHAT DO THESE CHANGES MEAN FOR CONSUMER LIFESTYLES?

THE EMERGENCE OF THE MAXIMISING, MORE DEMANDING GLOBAL CONSUMER

On the face of it, there is a danger that the emergence of a new affluent middle-class in emerging markets is viewed by marketers as an easy win. Here, after all, come large numbers of consumers who are new to the global marketplace, ready to be exploited, in theory. But this could not be further from the truth. Our data, shown below, shows that large numbers of consumers across all 28 markets surveyed agreed (either strongly or more moderately) that they shop around extensively to get the best deals.

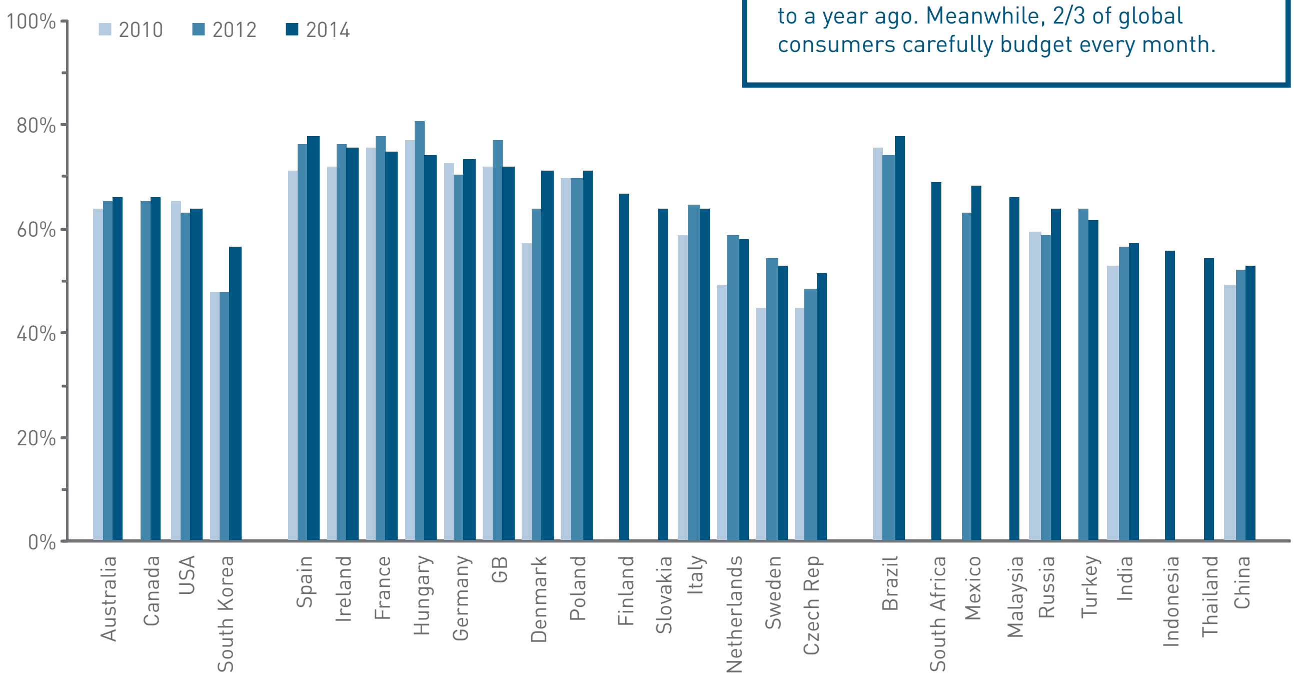
Similarly, our data suggests that 65% of consumers across the same 28 markets agree that they "I carefully budget my personal finances each month", varying between 93% in Indonesia and 39% in the Netherlands.

THE MAXIMISING MINDSET

MAJORITARIAN ACROSS MARKETS

"I shop around extensively to get the best deals"| % who agree or agree strongly, reported & adjusted data (see notes)

Ensuring best value for money, taking advantage of deals and discounts is widespread even if there is regional variation - ie in Europe where 78% of Spaniards agree compared to 51% of Czechs. However, respondents in few countries pay less attention to finding the best compared to a year ago. Meanwhile, 2/3 of global consumers carefully budget every month.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

A few quotes from Future Foundation's trendspotter network around the world help to illustrate these changes more qualitatively:

"When I try to buy things, I'll do the online price survey first and go to the store and bargain the best price with the information I have got. This is helpful since the store clerk always feel bad to sell at a higher price when I told them the price I got online."

MALE, 33, CHINA

"I think **'good value'** is - for most people - about **getting the best quality at the lowest price, rather than simply being cheap and nasty.** Lidl and Aldi are a good example of this - lots of the products they sell are the same quality as major supermarkets, so many middle class people are starting to shop there."

TRENDSPOTTER, UK

"Yes, because **there will always be a fear within people that the downturn might come back, so people tend to save a lot more,** if that is even possible with everything still getting more and more expensive."

TRENDSPOTTER, BELGIUM

"**We are bargain hunters** - whether it's trying to get a few rupees off from the fruit seller to flash sales on sites like Flipkart.com, **nothing beats the thrill of getting a good deal on something.**"

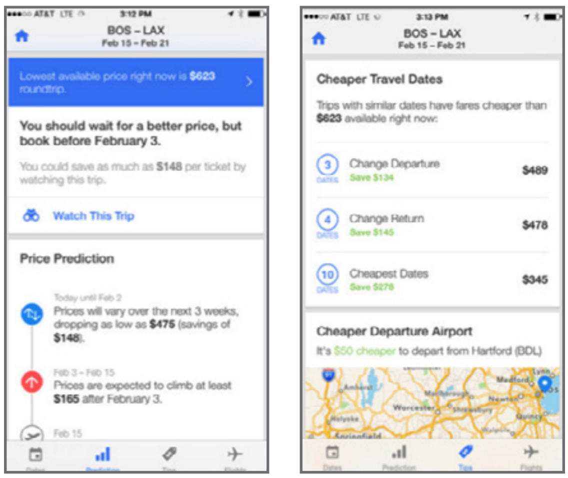
MALE, 28, INDIA

"**I love my bank app because I can't keep my finances intact without it.** I have forgotten even how to write a check."

MALE, 56, USA

CASE STUDY: Hopper

Hopper mobile app aims to help travellers save money when booking flights. It notifies you of the best time to buy tickets, and lets you book the flight through the app.



NOTEWORTHY STRATEGY?

By allowing consumers to book flights straight from the app, Hopper can track the number of purchases, as well as facilitating easy purchases, at the price which is displayed.

Hopper also lets travellers create profiles and save their payment information, to speed up the booking process, making it faster than other competing services.

The app has many features which give the user many possibilities, such as colour coding of prices, to let travellers who are flexible with dates be able to get the cheapest offers, as well as suggesting different airports.

The price prediction tool suggests whether you should wait or book now, and the 'watch a trip' feature alerts users when prices are expected to rise or fall. With deals sometimes only lasting a couple of hours, this feature helps travellers get the best deal.

"Our goal at Hopper is to help consumers save money on flights with data-driven advice about when to fly and buy, and even where to go. Airfare predictions are a core part of our value proposition: On average the "buy or watch" advice in our app saves consumers 10% over the first price they see for a trip. In extensive back-testing across tens of thousands of trips, we've shown that 95% of the time our "buy or wait" recommendations will either save the consumer money or do no worse than the first price they saw, saving 10% on average.

We've been surprised at how much airfare fluctuates. Although on average, airfare rises as departure approaches, watching continuously is very effective at capturing lower prices. More than half the time we're watching a trip, we'll see a price that's 5-10% lower than our initial price within just 24 hours. Airfare trends are surprisingly predictable, enabling consumers to save up to 40% on their flights using the Hopper app, while avoiding the frustration of manual comparison shopping."

DR. PATRICK SURREY, CHIEF DATA SCIENTIST AT HOPPER
SPEAKING TO BIG DATA NEWS MAGAZINE, FEBRUARY 2016

THE EMERGENCE OF THE SHARING ECONOMY

The emergence of the so-called sharing economy has been one of the major marketing and consumer stories of the past few years. It is important to note that it is not limited to the replacement of traditional hotel rooms with spaces for rental within the homes of ordinary people (as per Airbnb, Couchsurfing and others). The sharing economy also encompasses companies such as Uber, offering a totally different business model to existing taxi services, and task sharing services (such as Taskrabbit) that link people looking for help with everyday tasks with those who can undertake those tasks for a fee. The term emerged to summarise a collaborative approach – the Airbnb hosts and guests were originally both ordinary citizens. And, while this is still the case for many of the "transactions" the term has definitely been broadened to include many startups that are offering consumers innovative ways to source services.

Having said that it is clearly the changes within the hospitality industry that are the most relevant to this report. A recent edition of Fast Company (February 2016) carried an interview with Airbnb CEO Brian Chesky, and a wealth of overview statistics from the company's data library that help to show both how meteoric its rise has been, and how much of a threat it, and other companies like it, pose to the traditional hospitality industry. For example:

- There are now a total of 2 million listings on Airbnb, including not just traditional rooms but more novel offerings too such as boats (4,000+ listings), castles (2,000+ listings), treehouses (620 listings) and private islands (390 listings).
- By way of comparison, according to the same source, the room portfolios of even the most successful traditional hospitality are small by comparison:
    - Marriott International (including rooms from Starwood): 1,112,613
    - Hilton Worldwide: 745,074
    - Intercontinental Hotels Group (IHG): 726,876
    - Wyndham Worldwide: 672,000
- Airbnb welcomed some 40 million+ guests in 2015, and has now welcomed a total of around 70 million guests since it started in 2009
- Airbnb offers rentals in some 34,000 cities in 191 countries worldwide. Paris is both the city with the most Airbnb rentals and the most popular city for Airbnb stays

While Airbnb is very large already in terms of available rooms, it is still small in terms of room nights, compared to the rest of the industry. A recent Barclays report prepared by European Leisure analyst Vicki Stern estimated IHG's total room-nights for 2015 at 177 million, some 4.4 times larger than that of Airbnb.

Nevertheless, it is clear that the sharing economy is having an impact on hospitality industry. Natalie Stors, Research Associate at the Chair of Leisure and Tourism Geography at the University of Trier writing in Turismo '16: Tourism Trends Review published by IPDT (Institute for Tourism Planning and Development) undertook a review of Airbnb's impact on the hospitality industry in Berlin. According to Stern, based on analysis of hotel stays, VFR (Visiting Friends and Family stays) and other data, "the platform (ie Airbnb) should not be regarded as a threat for the industry, but likewise as an actor that can promote numerous innovations in a rather consevative and constrained market."

It is, however, anticipated that the sharing economy will continue to grow (and evolve). Management consultancy PWC has released research forecasting significant growth for the sharing economy (which it defines in the broadest possible sense, not just the segment of it relating to accommodation rental). Using 2013 it sized the sharing economy at just 6% of the total rental market globally but forecast this to rise to 50% of a much bigger total market by 2025, as follows:

- 2013: Total market = $255 Billion of which the traditional rental market is $240 Billion (94%) and the sharing economy $15 Billion (6%)
- 2025: the total market will have grown by over 250% to be some $670 Billion
    - of which the traditional rental market is $335 Billion (50%)
    - and the sharing economy $335 Billion (50%)

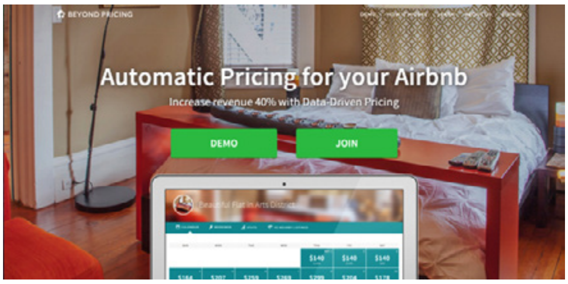
However, PWC did recognise significant barriers for the sharing economy companies to overcome if they are to reach their potential, most significantly resolving major regulatory and fiscal issues but also scaling up without losing their uniqueness and authenticity.

EXAMPLE OF INNOVATION RELATED TO THE SHARING ECONOMY

It is also interesting to note the impact that key brands within the sharing economy, such as Airbnb, are generating such momentum in the marketplace that a growing ecosystem of smartphone applications and brand is emerging to provide additional services for both guests and hosts

CASE STUDY: Beyond Pricing

Many property owners might not be aware of events happening in their city, and therefore are unable to maximise on this, something Beyond Pricing aims to change.



Beyond Pricing is a digital search engine to help the owners of properties price their property correctly on Airbnb. The system plugs into a users Airbnb listing, and automatically reprices a listing when demand is set to increase, or decrease.

To work out what to charge for a listing, Beyond Pricing scans and analyses rental sites, hotels, weather, flights, and other signals, to get a comprehensive idea of demand. The system also looks at similar listing prices, and historical prices.

Beyond Pricing charge a 1% fee of each listing's rate, but states it can help hosts make up to 40% more off their rentals.

NOTEWORTHY STRATEGY?

Beyond Pricing takes away any hassle homeowners face when trying to correctly price their property by automatically adjusting prices. This helps to facilitate Perfect Price Discrimination, allowing the house owner to maximise revenue, using data.

With plans to expand, building integrations with other rental services, Beyond Pricing may help homeowners to set prices as efficiently as big hotels.

"We saw so many hosts and small property managers doing everything right when it came to the hospitality side of the business – creating an amazing experience for their guests – but feeling helpless when it came to the revenue side of hosting.

We recognized that our core competency was not logistics and hospitality, but building great software to help them make more from their homes."

CEO DAVID KELSO, MARCH 2015

WHAT DO THESE CHANGES MEAN FOR MARKETERS IN GENERAL AND FOR NTOS MORE SPECIFICALLY?

The first and most obvious consequence of the rebalancing of the global economy is the growth of traveller numbers to Europe from emerging economies. As more and more travellers from Developing Markets become more affluent, travel will be one of the ways in which they advertise their new-found status to the wider world. Clearly, this is something that European NTOs and destination marketers know all too well already and have been actively promoting for some time now. However, over the coming decades more and more of those arriving into Europe from long-haul destinations will not be the stereotypical tourists of today. More and more of them will be confident about long-haul travel, experienced in the culture of Europe and interested in going beyond the obvious headline attractions.

In addition, there will be a continuation of the trend amongst consumers to be more and more demanding. This will apply across the board to travel and tourism. They will be demanding in terms of the value for money they seek, the quality of the services they receive and in terms of the novelty and engagement of the experiences they take part in.

The emergence of the sharing economy has been rapid and profound. Increasingly, visitors to Europe will be prepared to experiment with non-traditional and non-corporate accommodation and attractions. They will relish the price competitiveness, authenticity, informality and conviviality of experience and the city-centre locations of such sites.

Interestingly, the sharing economy is increasingly broadening from its early definitions. Some would include what is being referred to as the "gig economy," which refers to an environment in which temporary positions are common and organizations contract with independent workers for short-term engagements. This suggests that NTOs may well be staffed by such "gig" workers and even that visitors to Europe may well be mixing gig assignments with their traditional tourism in a new extension of the "bleisure" (blended business and leisure) travel phenomenon.

1.3 TECHNOLOGY IS DRIVING CHANGES IN LIFESTYLES

Speaking today, in 2016, it is already the case that technology is a key part of everyday life. The ownership of "smart" devices such as smartphones, tablets, and laptops is already high, and using these for a variety of tasks related to various phases of the travel process – such as browsing to gain inspiration on possible destinations, booking flights and accommodation on the internet, using smartphones to check in for flights and sending tweets or other social media updates while on vacation is reaching saturation point in Developed Markets, while increasing in Developing ones.

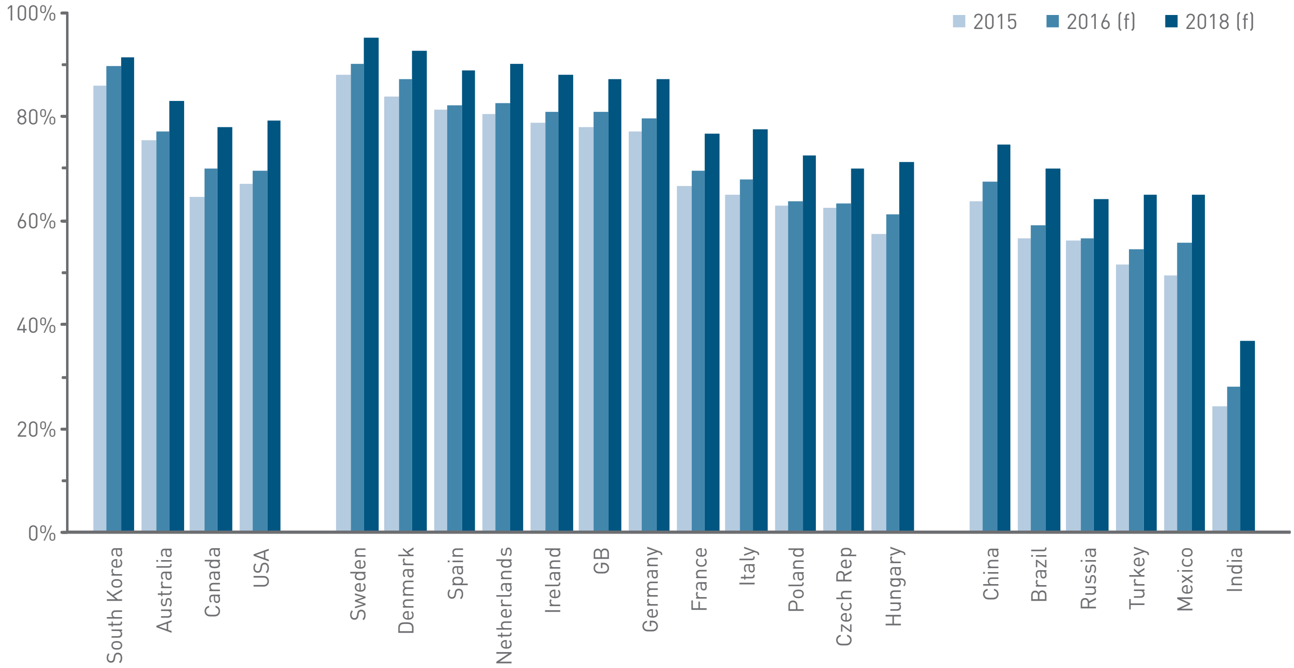
OWNERSHIP OF MOBILE DEVICES AND MOBILE ONLINE ACCESS IS HIGH AND/OR INCREASING

Amongst populations in Developed Markets around the world, smartphone ownership is growing and/or at very high levels. In emerging markets such as China, the same is true amongst the middle-class population that can be reached via online consumer surveys.

SMARTPHONE OWNERSHIP

REACHING SATURATION IN NORTHERN EUROPE AND KOREA

% of all adults who own a smartphone | June 2015 nVision forecast

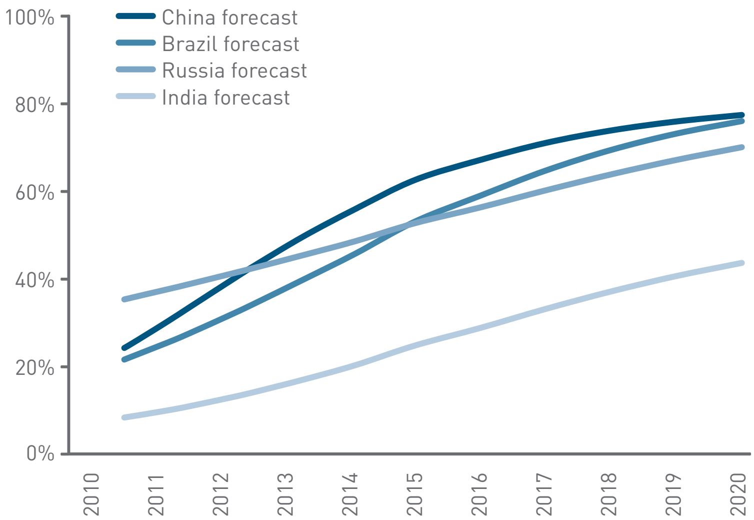


Source: Pew/nVision Research | Base: all individuals aged 16-64 (Mexico 16-54), 2015

Morever, forecasts suggest that well before 2030 smartphone ownership will be virtually ubiquitous.

BRIC SMARTPHONE OWNERSHIP TREND AND FORECAST

% of all adults who own a smartphone | June 2015 nVision forecast



As before, this forecast is based on the assumption that the next 10 years will see continued, steady growth in internet engagement. And while penetration is set to continue growing rapidly, the overall ownership figure among all adults will remain slightly compressed due to lower rates of engagement among those in less advanced regions and the oldest age groups.

Source: nVision | Base: All individuals aged 16-64, 2015

The impact of this is clear: those in the travel industry can increasingly take for granted that those travelling within and to Europe will be smartphone-equipped. Taken in conjunction with the EU's plans to abolish roaming charges by 2017, it will be increasingly certain that consumers will have both the technological capability and the online access to engage with online content that will make their travel and experiences richer and smoother.

Recent years have seen a gradual un-tethering of the internet as activities once only possible from fixed connections have migrated onto new mobile platforms. Social networking, commerce, banking, TV-watching, gaming, personal data tracking are all behaviours we can now conveniently indulge - via mobile-optimised browsers and apps - wherever Wi-Fi/3-4G connectivity is present.

As global consumers' engagement with smart devices and the mobile internet has grown - it is now 70% of mobile phone owners in the five major EU markets (France, Germany, Italy, Spain and the UK) who use the mobile internet on a weekly basis and a majority of respondents in South Korea and urban China - so too has their tendency to carry out activities via mobile means. We call this the Mobile First trend. Global consumers' embrace of new mobile technologies - smartphone penetration, for instance, is now majoritarian in many of the markets we survey - suggests that the mobile tendency can only accelerate in the years ahead and in developing regions in particular, the fixed internet era is being leapfrogged entirely.

"Many older people in my village here have **mobile phones instead of landlines**, especially for use in emergencies".

TRENDSPOTTER, SPAIN

"People have become **intolerant of inactivity**, especially after [the arrival of] smartphones. There is **always something to do** like checking statuses, reading articles or at least listening to music".

TRENDSPOTTER, SOUTH KOREA

"People might say they wish they could receive fewer emails or stop looking at their phones... but **mobile culture in China is thriving** and it's not rude to look at your phone when in a social or work-related setting. People are [not] willing to let go of their phones".

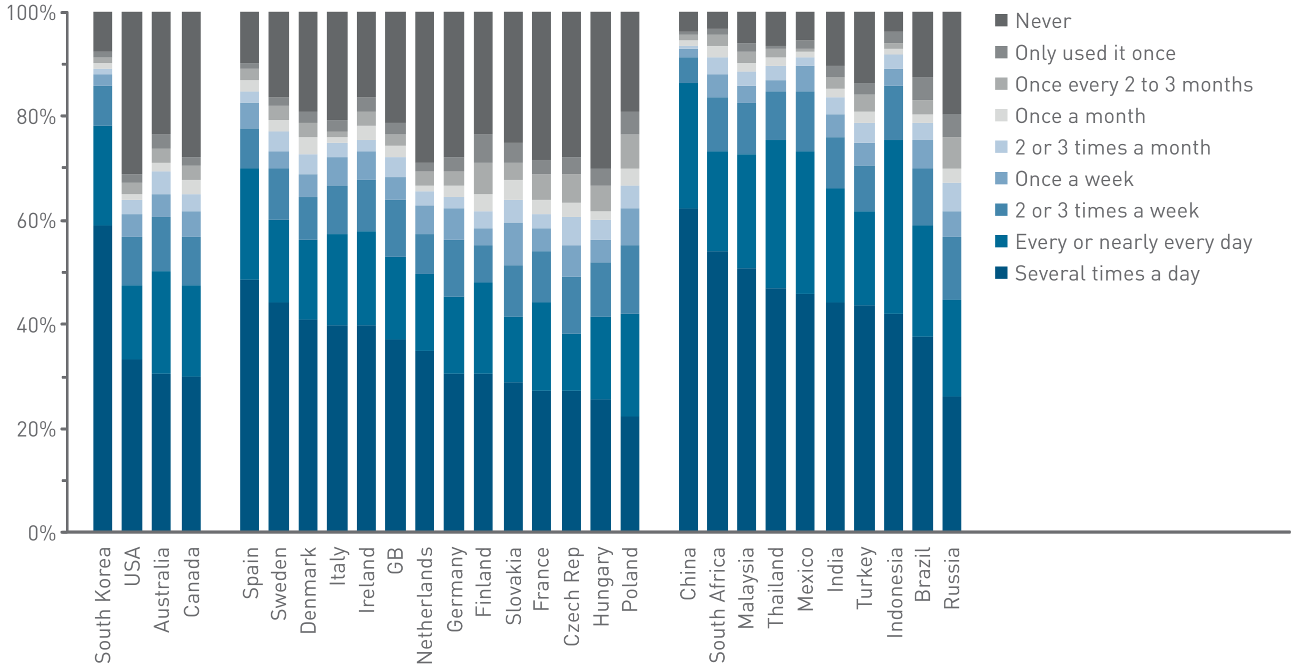
TRENDSPOTTER, CHINA

FREQUENCY OF MOBILE INTERNET USAGE

6 IN 10 MOBILE OWNERS ACCESS THE MOBILE WEB WEEKLY

"Which of these describes how often you have used the internet in any of these ways in the last 6 months? Internet via mobile phone" | Among mobile phone owners

It is now over 70% of global mobile phone owners who say they use the internet via mobile phone at least once a week, peaking in South Korea where it reaches 88%.



Source: nVision Research | Base: All mobile phone owners among 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

WHAT DO THESE CHANGES MEAN FOR CONSUMER LIFESTYLES ?

But, of course, technology does not stand still. We are living in an age of unprecedented public access to and interest in new technologies and the pace of change and innovation has never been greater. We have identified 7 new technologies that we expect to have a great impact on travel over the coming decades, the many of which depend heavily on mobile rather than tethered internet access:

1. Wearables and Biometrics
2. Augmented Reality
3. Virtual Reality
4. Beacons and Location-based services
5. Cashless Payments and Cryptocurrencies
6. Real-time language translation
7. Drones

We'll explore the current and likely future appetite for each of these briefly in turn, while also showcasing some examples of how these new technologies are already being used to deliver innovative travel and leisure related services.

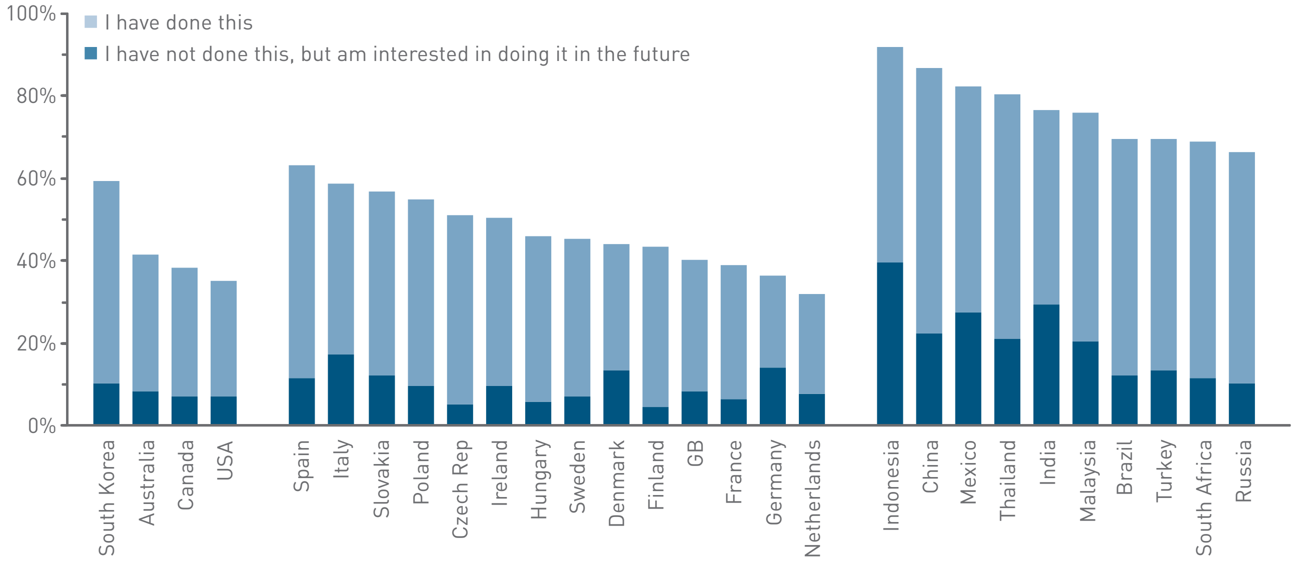
WEARABLE DEVICES

Wearable devices such as smartwatches, connected clothing and health trackers are starting to provide an interface between an individual and their larger devices, and while usage of such devices is still niche, we forecast it to grow significantly over the coming decade:

- Globally, across 28 markets an average of 14% claim to have used wearable tech
- Globally, across 28 markets a of a further 42% claim to to be interested in using wearable tech

WEARABLE TECHNOLOGY: UPTAKE AND INTEREST

“Which of these things have you done already and which are you interested in doing in the future?” | Used wearable technology that connects to the internet (e.g. a smart watch, a smart wristband, Google Glass) | 2014



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

EXAMPLE OF WEARABLE DEVICES IN THE TRAVEL INDUSTRY:

CASE STUDY Palladium ‘Very Important Bracelet’

The Palladium Hotel Group announced the introduction of the VIB (Very Important Bracelt) in 2014, in its Ibiza branches of its Hard Rock Hotel and Ushuaia Hotel.

The smart braclet promised to relace the need for wallets, phones and room keys, as it could open rooms, access different services in the hotel, pay for a product using a pin code and recieve exclusive discounts. It allows guests to do everything from one convienent device, on their wrist.

The smart braclet also encourages social sharing by allowing the wearers to broadcast their whereabouts in the hotel. Users can also post the activities and events they attend on their social media accounts, straight from their device.

NOTEWORTHY STRATEGY?

The smart bracelets are useful for travellers, especially as they eliminate the need to worry about losing a room key, or being pick pocketed whilst paying for something, offering guests a different holiday experience.

The bracelets can be personalised to guests tastes, offering tailored service to improve their stay at either hotel. The hotels provided a variety of VIB packages, with pre-loaded benefits, which included packages for couples, for music fans, for spa treatments and one designed for kids, allowing them to target all kinds of holiday goers.

These bracelets have placed Palladium Hotel Group at the forefront of hotel technology and innovation.

“As pioneers in breakthrough technology, we have collaborated with the leading companies in information technology and communication and are proud of the talented professionals who have created such a unique experience for our guests on this year-long project,”

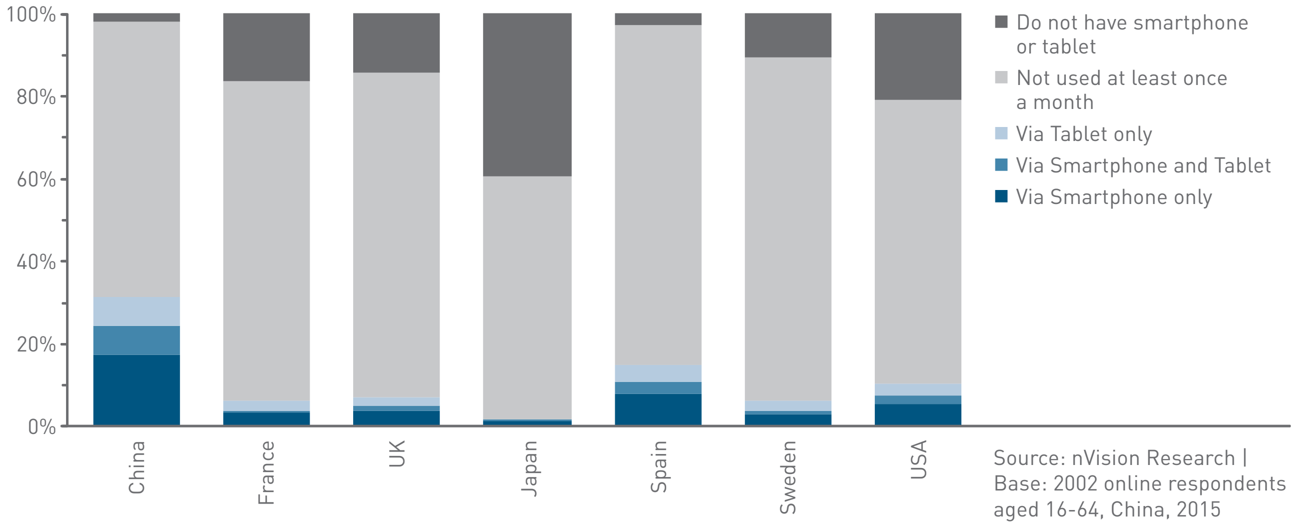
JUAN JOSÉ CALVO, CORPORATE DIRECTOR OF SALES AND MARKETING AT PALLADIUM HOTEL GROUP APRIL 2014

AUGMENTED REALITY

At present, the usage of Augmented Reality (AR), which is a live view of a physical, real-world environment whose elements are supplemented by computer-generated sensory input such as sound, video, graphics or GPS data, is at very low levels. Some 4% of 16-24 yr old smartphone owners "use augmented reality apps [where their phone overlays information on images of the real world e.g. Layar, RealityBrowser] at least once a month"

USING AUGMENTED REALITY APPS

"Which of the following kinds of apps do you use at least once a month via smartphone / via tablet?" | Augmented reality apps, where your phone overlays information on images of the real world | 2015

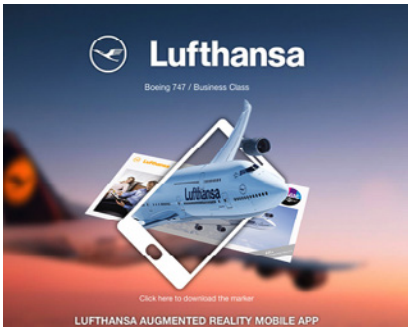


Source: nVision Research | Base: 2002 online respondents aged 16-64, China, 2015 September

EXAMPLE OF AUGMENTED REALITY IN THE TRAVEL INDUSTRY:

CASE STUDY: Lufthansa Premium Economy AR app

Lufthansa launched their premium economy service, which offers up to 50% more legroom, on all of its 106 longhaul flights. To help launch and promote this new service, the airline created an Augmented Reality (AR) app, which allowed potential fliers to visulise the extra legroom at home, and decide if they thought it waas worth the premium.



The app aimed to explain what premium economy is, in a simple, playful way, and was promotoed on Lufthansas social media channels. Users draw a design on a sheet of A4 paper, and scan it using their iPad or iPhone. The new seat then appears on the screen in real-life ratio, giving a 360 degree view and allowing the customer to experience the extra space in a way which suits them.

Users of the app can fill up the space using CGI animations of different objects from Lutfhansas destinations, such as a cricket bat from Bangalore.

NOTEWORTHY STRATEGY?

The app does not require a specific logo, or image to activate it, making it different from the majority of AR apps. This engaging way to promote a new type of filght allowed potential customers to interact with the virtual seat, gaining an idea of what it would be like to fly Premium Economy, before paying for it.

"Having created a new and much higher standard for the Lufthansa Premium Economy offer it was only fitting to develop a world first mobile app to increase awareness. Lufthansa's premium economy offer includes a number of great new benefits, but the most compelling is up to 50% extra legroom. Space has created this revolutionary new app to be both practical and fun, so that our customers can see for themselves the benefits offered by Lufthansa's new cabin class."

BECKY SCHMIDT, MANAGER MARKETING AND ONLINE, UK & IRELAND, LUFTHANSA

"The challenge for Lufthansa was to generate awareness of this new class simply and effectively.

The app is an interactive way to drive home the benefits of Premium Economy by closing the physical and emotional space between customers and the brand. We've delivered a world first for Lufthansa in the digital space that amplifies the Premium Economy offer whilst building brand intimacy in a fun, informative application."

MAT O'BRIEN, CREATIVE DIRECTOR AT SPACE, THE AGENCY THAT CREATED THE APP

VIRTUAL REALITY

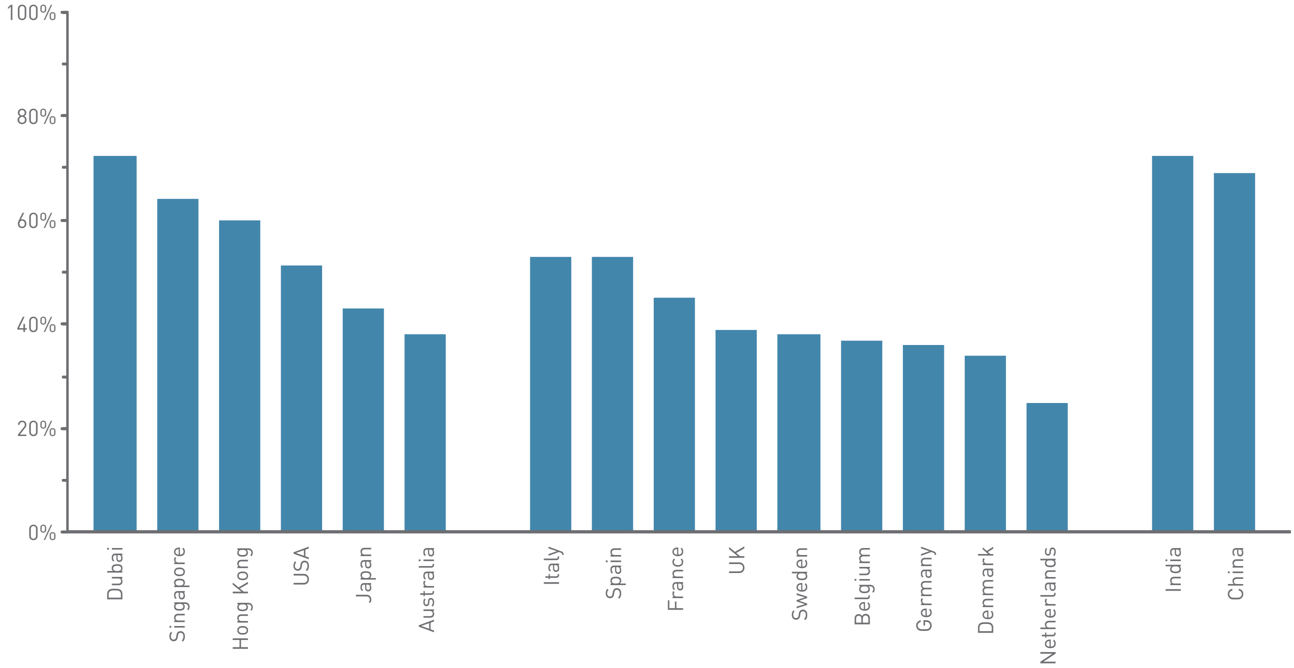
After a very long lead period, many tech observers (including CNET, Engadget, and Techcrunch) feel that 2016 will be the year when Virtual Reality finally takes off as a mainstream consumer technology, as devices such as the Oculus Rift, Samsung Gear, HTC's Hive and Sony's Project Morpheus hit stores. Low cost alternatives such as Googe Cardboard that allow smartphone owners to experience VR by inserting their handsets into cheap disposable headsets will also help to push the technology out to those unwilling to buy an expensive new piece of hardware.

We do not share the fears of some within the travel industry who ask "why will people want to put themselves through all the hassles of travelling when they will be able to experience destinations from the comfort of their own sofas?".

While we do believe that there could be some interesting changes to the way that people experience destinations based on the impact of VR technologies, we do not believe that it will be a mainstream alternative to travel itself, with the possible exceptions of the groups described above for drone tourism. We do, though, believe that there could be impacts on the types of activities that people undertake while on vacation, with a possible move away from the "checklist", "been-there-seen-that-got-the-T-shirt" approach to travel in favour of more immersive, authentic experiences

WILLINGNESS TO USE A VR HELMET (IE: OCULUS) TO DISCOVER A PRODUCT NOT AVAILABLE

"Here is a list of in-store services. For each item in the list, please tell us if you would be willing to use it?" | 2015



Digitas LBi/nVision | Base: 1,000 online respondents aged 18+ per country, 2015

EXAMPLE OF VIRTUAL REALITY IN THE TRAVEL INDUSTRY:

CASE STUDY: Thomas Cook VR sets

Thomas Cook travel agency introduced Virtual Reality (VR) headsets into a selection of its stores in the UK, Germany and Belgium after a trial at the Bluewater concept store in 2014.

The headsets will give consumers the opportunity to engage in bespoke immersive content, featuring a number of destinations. Customers can enjoy 'tasters' of destinations, such as a helicopter tour over manhatten, a visit to a restaurant in a SunConnect resort in Cyprus or a trip to a pool at a SENTIDO resort in Rhodes, all without leaving the store.

NOTEWORTHY STRATEGY?

By providing customers with the opportunity to look before they book their holiday, the VR experience helps persuade them that Thomas Cook as a suitable destination for them. It also changes the experience consumers have when booking a holiday, turning it into a more enjoyable task.

Consumers are able to get a true sense of the hotel and excursions they can take when on that holiday, reassuring them that is the right destination choice. Thomas Cook are able to showcase their high level of technology and experience based products to customers, all whilst on the high street.

""Thomas Cook has a long history of innovation, continually exploring ways to offer unique experiences to the customer. Virtual reality technologies are set to play a key role in how companies showcase experience-based products to their customers, and we are proud to be ahead of the curve when it comes to being the digital leaders in travel. Our use of VR is set to further enhance the in-store shopping experience for Thomas Cook customers, allowing them to make informed decisions regarding their next holiday using innovative technology that effectively lets them try before they buy."

MARCO RYAN, NEWLY APPOINTED CHIEF INNOVATION OFFICER AT THOMAS COOK NOVEMBER, 2014

BEACONS AND LOCATION-BASED SERVICES

Since Apple introduced iBeacon technology in 2013 takeup has been slow, but over recent months we have seen many of those in the travel sector running trials of the technology. These include Starwood Hotels and American Airlines.

It is clear that Beacons offer, firstly, massive opportunities for streamlining the travel process, helping confused travellers to navigate their way around complex airports, or unfamiliar city centres or tourist sites.

It is also becoming evident that, subject to obtaining the necessary permissions from consumers, knowing exactly where a visitor is can make it possible to offer them highly targeted product and service propositions - everything from hotel rooms to weather-related apparel, if a storm is imminent.

Locational Living is a trend waiting for technology to catch up. One of the main propositions of wearable technology is the promise of locational awareness - the ability to superimpose locations with information in a head-up-display or receive notifications on the wrist as you traverse a commercial district. Those who use location-based social networks are much more likely to be interested in wearable technology.

- Globally, across 25 markets just 10% of consumers use location-based social networks, but 80% of those who use location-based social networks are interested in or have used wearable technologies.
- Conversely of the 90% who do not use location-based social networks just 56% are interested in wearable technologies

The SITA Airline IT Trends Survey 2015 assessed the degree to which airlines were planning to leverage beacons to enhance apps, across a number of applications and projected this forward to 2018. They found that:

- Wayfinding will take the lead growing from 8% of airlines using beacons to enhance this feature to 57% of airlines doing so by 2018.

- Flight and gate info, while currently the most common application, with 14% of airlines using beacons to enhance this feature, will not grow quite as much, but still some 57% of airlines should be doing so by 2018.

- The comparable figures for baggage collection, walk to gate time and duty-free offers are shown below:

    - Baggage collection (7% of airlines now; 40% by 2018)

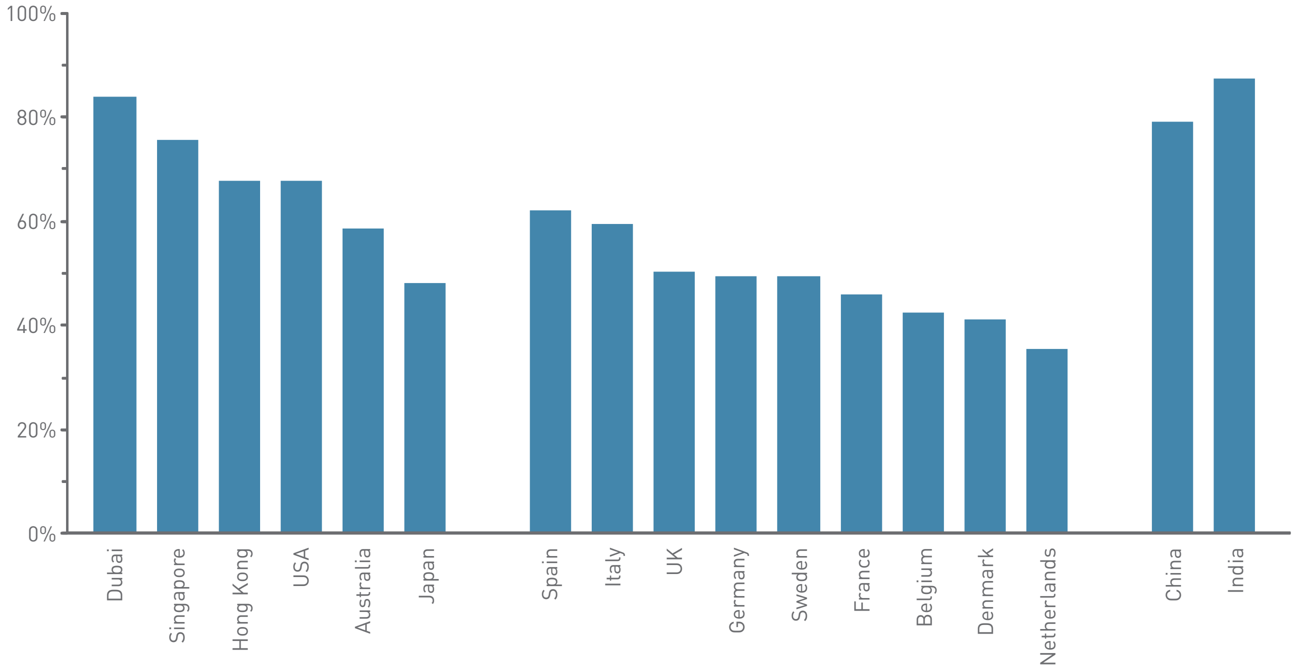
    - Walk to gate time (3% of airlines now; 34% by 2018)

    - Duty-free offers (5% of airlines now; 29% by 2018)

We appreciate that these figures are for in-airport beacon usage only but believe that they demonstrate also that this technology offers great opportunities for the travel and hospitality industries more widely.

WILLINGNESS TO USE THE INDOOR GPS

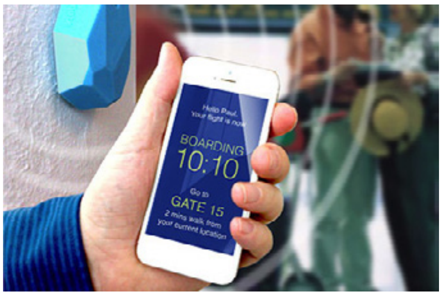
"Here is a list of in-store services. For each item in the list, please tell us if you would be willing to use it?" | 2015



Digitas LBi/nVision | Base: 1,000 online respondents aged 18+ per country, 2015

EXAMPLE OF BEACONS IN THE TRAVEL INDUSTRY:

CASE STUDY: Beacons alert Dubai Airports cashiers



Dubai International Airport has installed thousands of Beacons in the airport in a trail to ensure consumers don't miss their flights. Beacons technology will serve as a way to communicate the latest duty free offers or exclusive products, when consumers are near relevant outlets.

The Beacons technology can also help passengers to board a flight, navigating them through the airport to the correct location. It can also tell airports, consumers itinerary, flights, destination and where they have to go in the airport, as well as determining how much time a passenger has before they have to depart for their flight, and how long they have until they have to board the plane.

NOTEWORTHY STRATEGY?

One example of how the technology will help is when a passengers boarding pass is scanned at a duty-free store, the cashier will be alerted if the passengers gate is open, or about to close. This way the passenger can be alerted face-to-face. It is especially useful for passengers who do not speak Arabic or English, and therefore can't read the flight information display screens.

By rolling this technology out slowly, Dubai Airport have been able to test consumers responses to the technology and its resulting targeting and help navigating the airport.

"This is a platform for us to move the airport into a personal space."

MATTHEW HOROBIN, SENIOR MANAGER DIGITAL MEDIA AT DUBAI AIRPORTS

CASHLESS PAYMENTS AND CRYPTOCURRENCIES

When it comes for paying for goods and services around the world, it is still very much the case that physical cash remains dominant in certain payment contexts and in particular global markets. However, everywhere we look, we are witnessing experimentation with cashless forms of payment. From contactless payment cards and online currencies to NFC-equipped mobile devices, digital wallets and SMS-based payment options, global consumers are slowly becoming accustomed to the notion of paying without handing over physical currency. And, arguably, it is within the context of international travel, where consumers may find the chore of having to exchange one physical currency for another, or where there is a steep learning curve to negotiate, that cashless and contactless approaches offer significant benefits.

As smartphones gradually extend their functionality and begin organising every aspect of consumer's lives, so it seems a natural process that they become the central device for handling all aspects of their retail transactions. There are, admittedly, barriers to be overcome. These include the issue of trust and security protection and the lack of unified global service offerings for cashless and contactless payments. However, despite these barriers we believe that the benefits of cashless payments - their speed, convenience and the seamless branded interactions which they create - will transform the ways we connect with brands, the ways we circulate through stores and even the contents of our wallets.

We will explore the rising consumer acceptance of cashless payment options and the evolution towards a cashless society further in a later section.

A QUICK WORD ABOUT CRYPTOCURRENCIES

It has now been several years since Bitcoin first appeared on news sites around the world. And it has been some time since Bitcoin fell from its peak value at the end of 2013. Many have stopped talking about Bitcoin. Though early adopters and online merchants are making good use of the cryptocurrency's fast, international transactions, it is Bitcoin's core technology the Blockchain which is now holding the greatest promise. So, at this point in time we do not think it worth further consideration of the role of cryptocurrencies in the life of the mainstream consumer. This of course may change.

REAL-TIME LANGUAGE TRANSLATION

We accept that no solution currently available offers relialbe, high-quality, real-time translation. However, major technology players such as Google and Skype have made huge strides in real-time language translation of both written content and speech. Furthermore it is to be expected that further innovation and refinement over the coming years will take this to ever higher levels, potentially removing one of the barriers to travel to/from certain countries/destinations.

This may particularly apply to countries with languages that are less commonly taught in schools and languages (such as Russian, Arabic, and many Asian languages) that use an entirely uniqe character set.

Given that this report is intended to provide a look ahead to the issues facing future travel to Europe, we believe that the technical issues currently holding back real-time translation will be solved, though of course we cannot be sure exactly when this will happen. Real-time translation, for example, of text such as road signs and restaurant menus, and of spoken language, such as interactions with hotel staff, tour guides and ordinary citizens, will offer a changed in-destination experience to visitors to Europe.

EXAMPLE OF REAL-TIME LANGUAGE TRANSLATION IN THE TRAVEL INDUSTRY:

CASE STUDY: Sigmo

Sigmo is a real-time voice tranlating device, which is able to translate 25 languages at the touch of a button. Users simply speak into the device in theri native language and Sigmo will automatically, instantly translate it into the selected output language. The selection of languages available includes Mandarin, Swedish, Russian and Arabic.

A dedicated app allows different users to connect with each other for a cross language conversation.

NOTEWORTHY STRATEGY?

It does not require a high speed data connection, as it uses a data connection from a mobile phone, allowing a more versatile use.

It was designed with travellers and foreign students in mind, and is therefore pocket sized, and light, costing no more than $50.

It raised nearly nine times its goal on Indiegogo, a crowdsourcing website, raising $249k, showing great interest and demand, and although does not exist yet, holds high promise for the future of real-time translation.

"We travel a lot and understand frequent language barriers. It is very inconvenient to carry a large translation books and type out constant words to communicate. Therefore we have developed such voice translation device that becomes more useful! No need for expensive translation services anymore. Portable, intuitive to use and functional. We just need your assistance now in realising our idea and getting SIGMO into production and profitability!"

SIGMO TEAM, POSTED ON INDIEGOGO, 2014

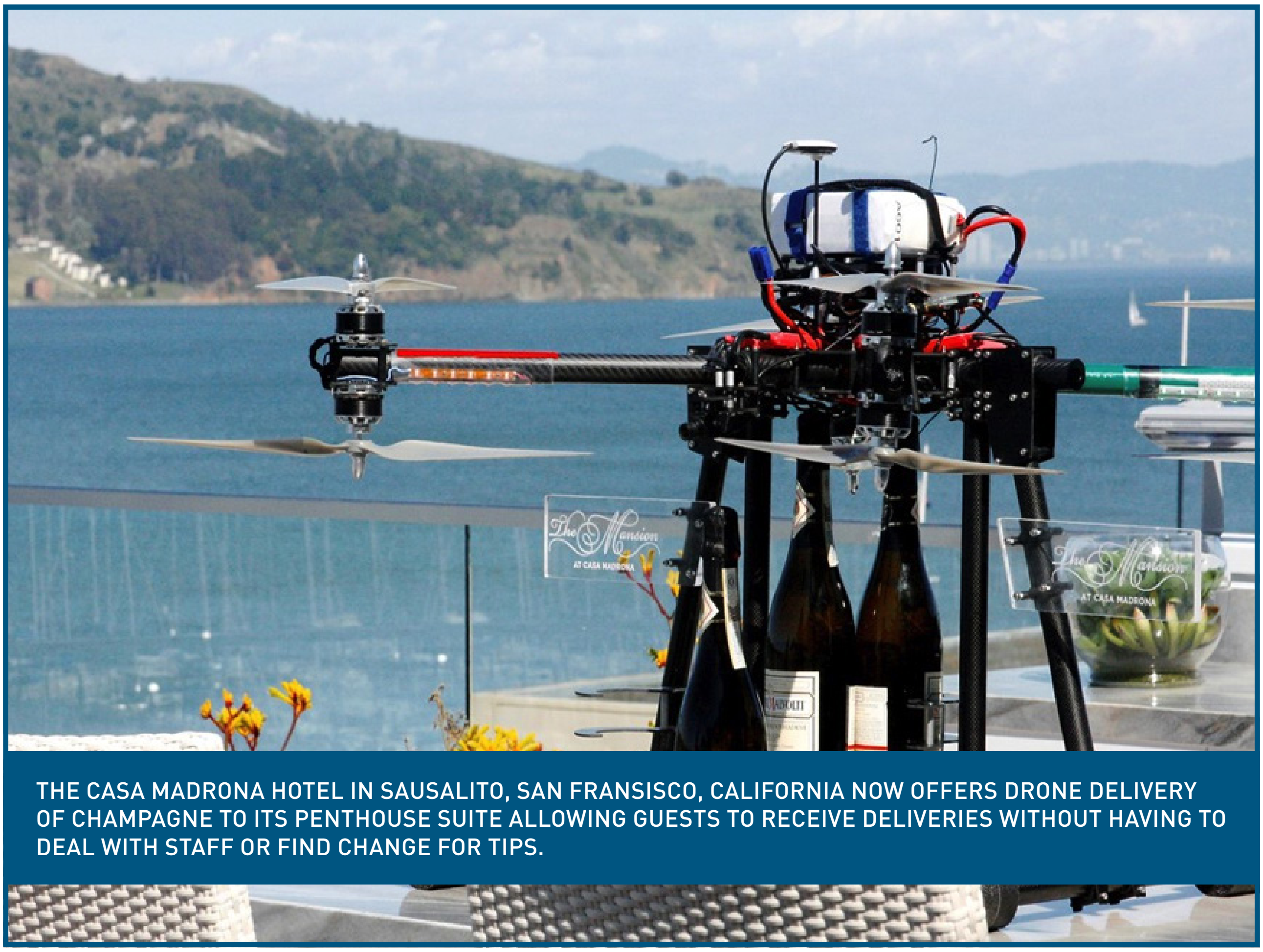
DRONES

Drones were undoubtedly one of the tech stories of 2015, both as the latest gadget-boy accessory and as the delivery format for a variety of innovative customer service propositions.

And we are seeing the beginning of the usage of drones in the travel industry. Such customer service innovations may or may not prove to have a long-term future, or they may turn out to be short-lived fads, but examples of the possible uses for drones include:

- Mass online retailer Amazon has announced plans for drones to deliver items to customers. This is similar to the Casa Madrona hotel example shown below
- Third-person (where a viewer sees moving images captured by a drone piloted by someone else either as a live video feed, or as recorded video) and first-person (where the consumer is given the power to pilot a drone over or through visitor attractions. As yet first-person drone tourism is not yet really happening because of legislative and saftey concerns. However, we have already seen examples of services offering drone-based immersion into tourist destinations.

EXAMPLE OF DRONES IN THE TRAVEL INDUSTRY:



THE CASA MADRONA HOTEL IN SAUSALITO, SAN FRANSISCO, CALIFORNIA NOW OFFERS DRONE DELIVERY OF CHAMPAGNE TO ITS PENTHOUSE SUITE ALLOWING GUESTS TO RECEIVE DELIVERIES WITHOUT HAVING TO DEAL WITH STAFF OR FIND CHANGE FOR TIPS.

WHAT DO THESE CHANGES MEAN FOR MARKETERS IN GENERAL AND FOR NTOS MORE SPECIFICALLY?

We are already at a point in the evolution of the global distribution of technology when NTOs need to include mobile-friendly solutions in their marketing armoury. However, the Mobile First transition suggests that we will soon be at the point when the mobile offerings will be the most important solutions in the toolkit. Of course, the provision of mobile solutions makes sense under the basic assumption that connectivity will be widespread and of high quality. NTOs cannot afford to be completely passive in this respect and should be working with telecoms providers to ensure high quality coverage in city centres, high volume networks in areas of peak traffic (such as sports stadiums) and extension of coverage into rural areas. The same is true with regards to EU-wide discussions relating to roaming charges for visitors from different parts of the world.

Given high quality connectivity, travellers will increasingly use a variety of technologies to gain a deeper understanding of their possible destination ahead of their trip, for example, using augmented reality, virtual reality or drone imagery to get a more authentic and more immersive sense of what their trip will really be like.

Similarly, they will use augmented reality, beacons, wearables and cashless payment options to ensure that the time they spend in their destination is as convenient, cost-effective, immersive and educational as possible.

1.4 THE REALITY OF GLOBAL CLIMATE CHANGE IS BECOMING ACCEPTED

Over recent years the previously contentious debate about the reality of climate change has started to diminish and be replaced with a growing acceptance the there is an issue to be dealt with and that the problems are a result of human action. While we recognise that this is still a hugely specialist area, with considerable disagreement within the international scientific community about the scale of the issues and the best way to promote change, the key issue at hand in the context of this report is that the world's consumers do increasingly appreciate that there is some truth to stories of climate change, resource depletion and environmental degradation.

Before we dig into the key changes in consumer attitudes and behaviours, we'd like to start by very briefly highlighting some of the key realities:

1. Firstly, the average **temperature** of the world is considered to be likely to increase over the coming decades. According the OECD:
   a. the atmospheric concentration of greenhouse gases (GHGs) could reach 685 parts per million (ppm) by 2050. As a result, the global average temperature increase is projected to be 3°C to 6°C higher by the end of the century
2. Secondly, average **sea levels** are considered to be likely to rise over the coming decades. According the Intergovernmental Panel on Climate Change (IPCC):
   a. It is "very likely that the 21st-century mean rate of global mean sea level rise will exceed that of 1971-2010"
3. Thirdly, **water** is forecast to become an increasingly scarce resource for many over the coming decades. According to a 2011 OECD report, it is forecast that:
   a. 3.9 Billion people will live under no or low water stress (up from 3.2 Billion in 2000)
   b. 1.4 Billion people will live under medium water stress (up from 1.3 Billion in 2000)
   c. 3.9 Billion people (or nearly half of the world's 9.2 Billion total population at that time) will live under severe water stress (up from 1.6 Billion in 2000)

WHAT DO THESE CHANGES MEAN FOR CONSUMER LIFESTYLES?

1. Acceptance of the "truth" of climate change is high and growing

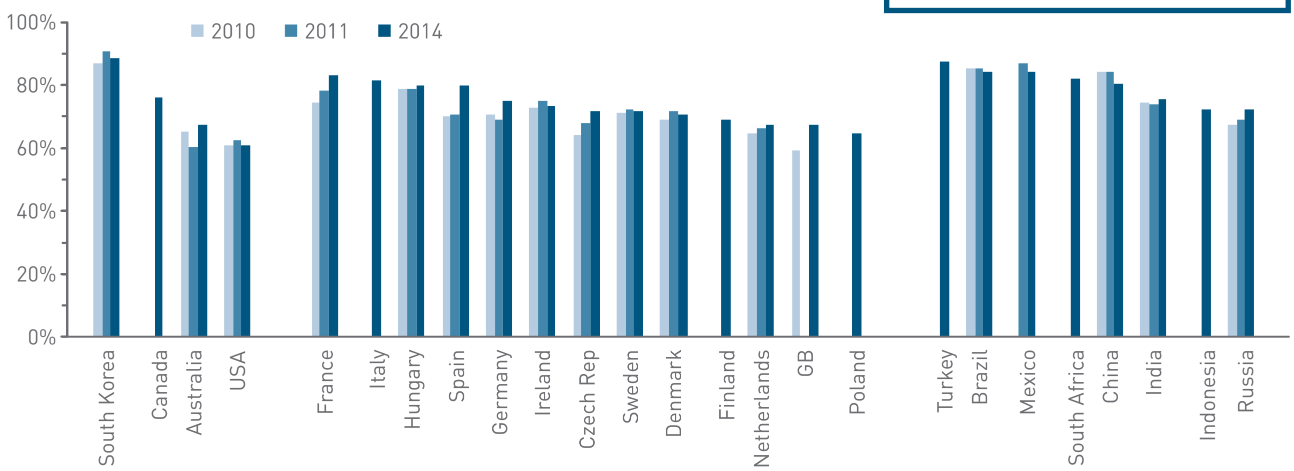
There is widespread, and increasing recognition amongst the world's consumers that climate change is real. An average of 77% of consumers from a variety of global markets agree with the statement "Climate change (e.g. global warming) is definitely happening," up from 72% in 2010. Levels of agreement are lowest in the United States at 61% and highest in South Korea at 89%.

CLIMATE CHANGE

GROWING ACCEPTANCE EVERYWHERE

"How strongly do you agree or disagree with the following statements? Climate change (e.g. global warming) is definitely happening" | % who agree or agree strongly, reported and adjusted data (see notes)

Agreement that climate change is definitely happening reaches majorities across the globe. Levels of agreement are lowest in the States at 61% and highest in South Korea at 89%.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

There is of course considerable variation in this belief across different types of consumer – women are more likely to feel climate change is real than men. Elsewhere there are interesting patterns related to age, income, education and whether people live in urban centres or not, but these differences are not uniform from country to country as the data in the table below highights.

		Canada	USA	Brazil	China
	Total	74%	55%	88%	89%
Gender	Male	69%	53%	83%	87%
	Female	79%	58%	92%	90%
Age	16-24	76%	55%	80%	89%
	25-34	75%	60%	87%	89%
	35-44	69%	55%	91%	87%
	45-54	76%	53%	92%	90%
	55-64	74%	53%	93%	90%
Urban / rural 1	Rural	78%	49%	90%	86%
	Urban	73%	58%	88%	89%
Parents 1	Not mums	82%	60%	91%	92%
	Mums	77%	56%	93%	90%
	Not dads	70%	54%	80%	86%
	Dads	66%	56%	88%	87%
Household Income (standardised to US)	Under $20,000 HH income	76%	60%	89%	87%
	$20,000 - $39,999 HH income	79%	55%	83%	90%
	$40,000+ HH income	72%	56%	90%	89%
Education (approximated ISCED classification)	Primary/ Secondary	76%	51%	88%	88%
	Tertiary	74%	57%	88%	89%

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

2. Acceptance is leading to a growing intent amongst consumers to try to help

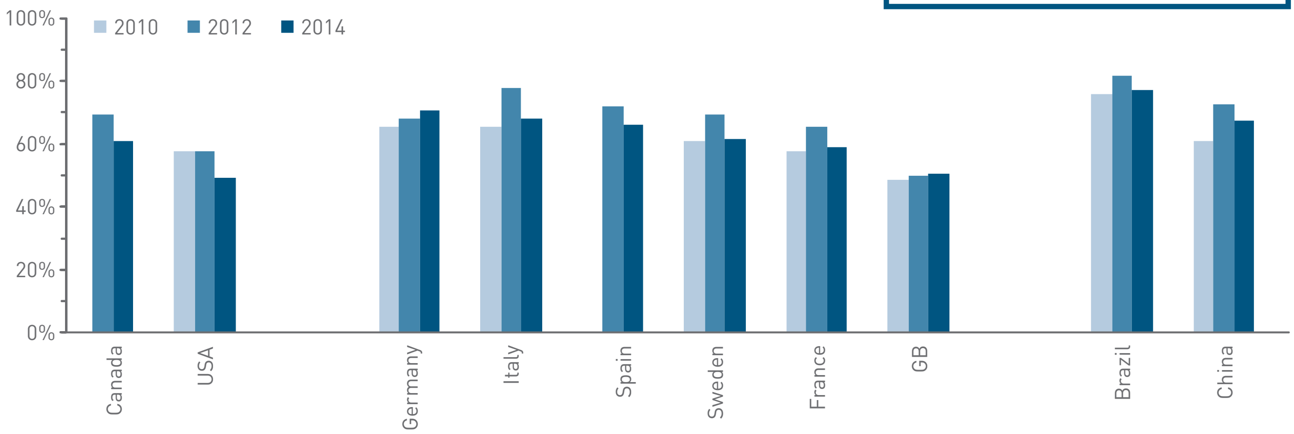
This acceptance of climate change is interesting in itself. But the key issue for marketers, and for the travel and tourism industry is that it is beginning to effect real change in consumer attitudes and behaviours. Across 25 global markets an average of 62% of consumers now agree with the statement that "I am concerned about what I personally can do to help protect the environment."

PERSONAL RESPONSIBILITIES

GLOBAL VARIATION

"How strongly do you agree or disagree with the following statements? I am concerned about what I personally can do to help protect the environment" | % who agree or agree strongly, reported and adjusted data (see notes)

Concern surrounding individual responsibility for caring for the environment varies across markets. Agreement is highest in Brazil at 78% in comparison to just 51% in the UK.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

The data above also shows that in some markets the prevalence of this point of view is actually declining rather than increasing, though in some markets there seemed to be a "spike" in concern in 2012. While we would need to track this measure further to be absolutely sure, it does fit with other patterns we are seeing (which we will discuss more in a moment) that suggest consumers are increasingly feeling that climate change is such a huge issue that their contributions are so small, compared with changes at governmental, legislative or corporate levels, that they would rather see action from these major players than have to make difficult lifestyle choices.

All things being equal we feel that, with consumers being increasingly aware of the issue of climate change that they can definitely be encouraged to make small lifestyle changes to make themselves feel better about their own personal responsibilities and contribution to change.

3. Acceptance is leading to attempts to **reduce** the usage of resources, **reuse** items where possible, and **recycle** materials

Of course, we recognise that it is easy for consumers to agree with the idea that they should try to help, or to express concern about how they can help, particularly in consumer surveys. The cynical view would be that such concern all too rarely turns into action. However, our data suggests that significant numbers of consumers around the world are trying to reduce the amount of resources they use, to reduce the amount of waste they produce and to buy Fair Trade (and similar) products where possible. Crucially in the case of travel and tourism, we can also point to small, but significant numbers of individuals who claim to be reducing the numbers of flights they are taking, due to environmental concerns.

"People who **have more financial means** would rather be able to buy **ecological products because they tend to be more expensive** then average ones. People who are in a lower social category will be more aware of their use of electricity or water but not necessary out of an ecological point of view, rather because they wouldn't be able to pay their bills."

TRENDSPOTTER, BELGIUM

"**Being green is very popular in Brazil**. We recycle, we try to use less electric energy, more reusable energy, companies have schemes to motivate staff to share their cars so less people use their cars to go to work."

TRENDSPOTTER, BRAZIL

"In Germany **eco-friendly behaviour is very popular and the tendencies are rather increasing**. People buy a lot of sustainable products, there are many organic food stores (more than in most other countries). Energy and water saving has become a casual behaviour."

TRENDSPOTTER, GERMANY

"People are aware of the pitfalls of climate change and **will make certain concessions** (trying to switch off lights when they're not in use etc, trying not to be wasteful with water), but **other factors still come first (such as convenience and price).** People are more interested in organic food and beauty products, because the benefit directly accrues to them."

TRENDSPOTTER, INDIA

"I think **Swedish people are crazy about buying green products** ... It's a lot more expensive but in some ways it heals your conscience."

TRENDSPOTTER, SWEDEN

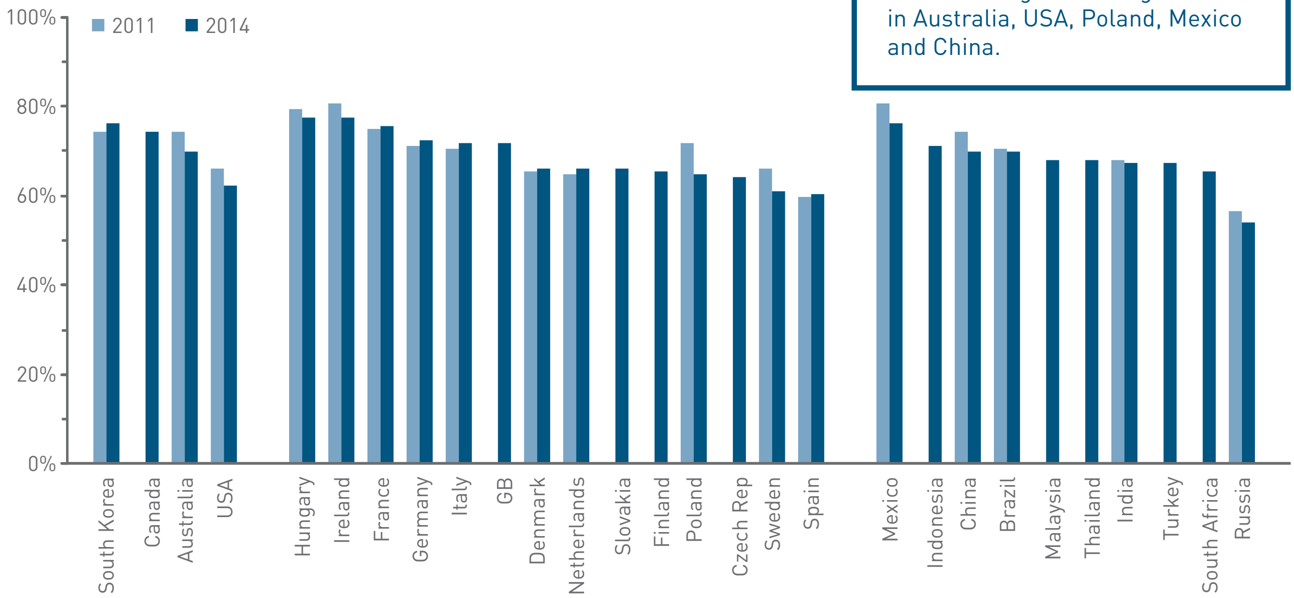
Some 69% of global consumers claim that they are trying to reduce the amount of household waste they produce. Clearly, waste management can apply in the travel sector, where travellers often seem to take the view that because they are not at home that different rules apply. From booking flights and rooms with providers that clearly care about waste minimisation to using reusable bags, storage containers and towels, renting equipment, using electronic tickets and boarding passes, avoiding room service, and so on, there are all kinds of ways in which travellers can be encouraged to minimise their resource usage.

WAR ON WASTE

A GLOBAL CAMPAIGN

"How strongly do you agree or disagree with the following statements? I am trying to reduce the amount of household waste I produce" | % who agree or agree strongly, reported and adjusted data (see notes)

Sensitivity to waste remains high; majorities of consumers agree that they are trying to reduce the amount of household waste they produce. Generally, agreement remains static, although we witness a slight fall in agreement in Australia, USA, Poland, Mexico and China.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

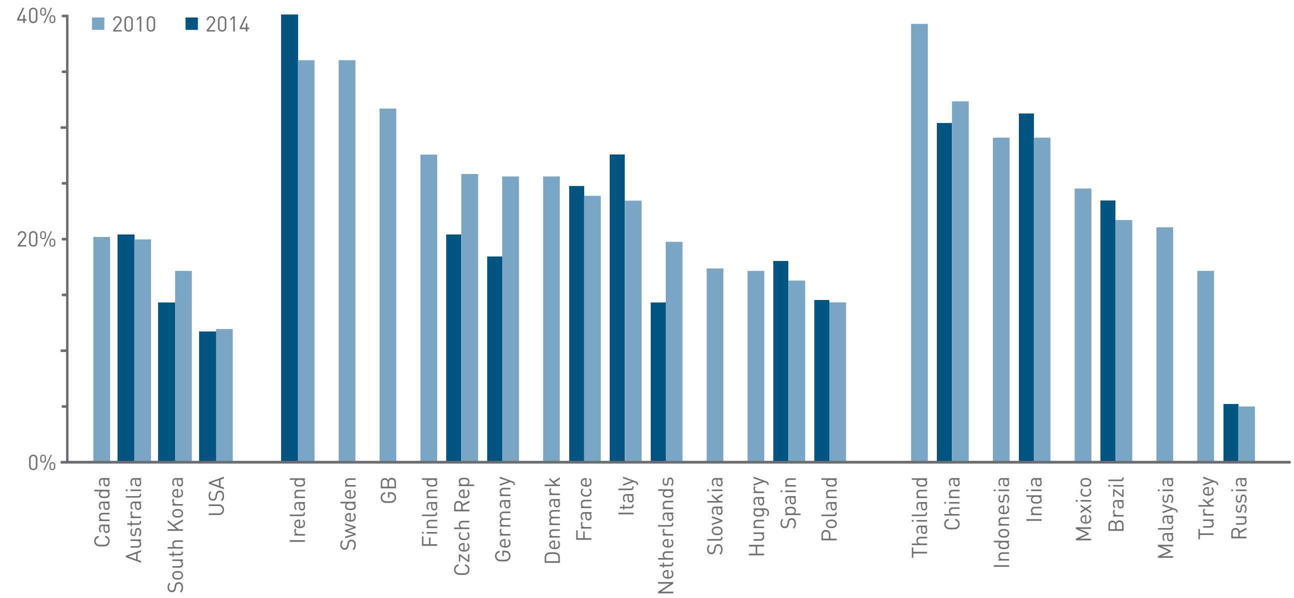
Some 23% glboally claim to buy Fair Trade products, perfectly illustrating the gap between intention and action – such products typically command a significant price premium and are often not so widely available. There are also interesting patterns of growth/decline of Fair Trade around the world, in some places its uptake is rising, in others falling. It is known that there is a strong link between the strength of an economy and Fair Trade but other factors too, such as how mature Fair Trade products are in a given market, are likely to underpin these patterns.

THE COST OF GOODNESS

A BARRIER TO WIDESPREAD UPTAKE

"Which, if any, of the following have you done in the last 12 months?" | Bought fair trade products

Illustrative of the gulf between intention and action, relatively few consumers buy fair trade products - and numbers who do so remain fairly stable since 2010.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

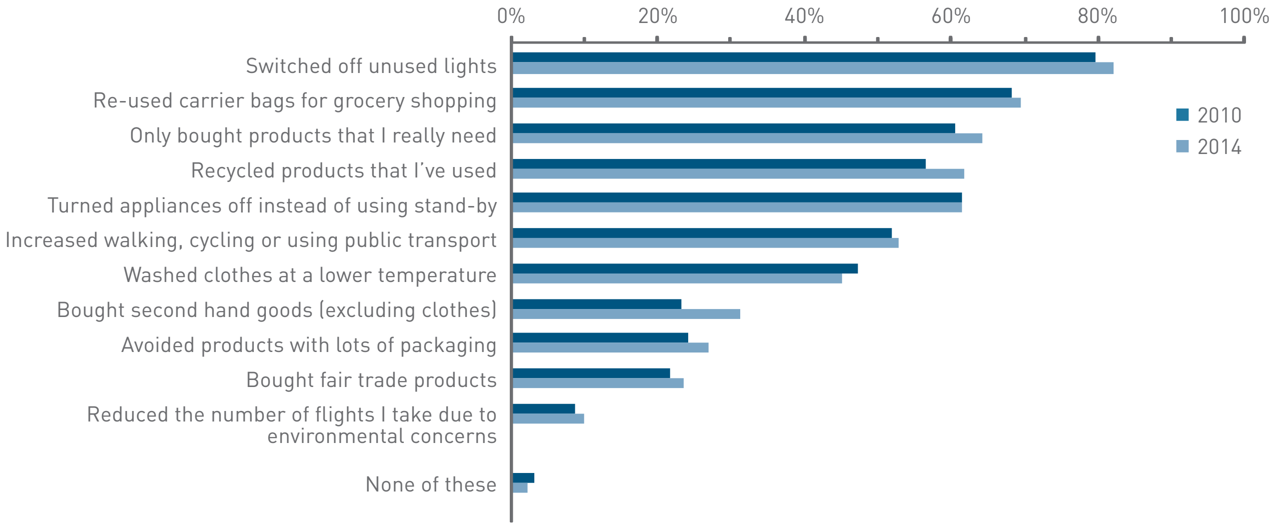
It is of course changing patterns of behaviour, in particular changing purchasing and product usage that are of most interest to the marketing community. As the chart below shows, considerable numbers of consumers claim to be involved in changed behaviour patterns. Such changes are, perhaps not too surprisingly, most prevalent when they involve relatively minor (and free or cheap) modifications to existing habits – turning off lights, reusing carrier bags, walking more, avoiding products with excessive packaging are all examples of habit changes that are common around the world.

GREEN BEHAVIOURS

SWITCHING OFF UNUSED LIGHTS MOST COMMON

"Which, if any, of the following have you done in the last 12 months?" | Global Average

When asked about what consumers actually do in order to be more eco-responsible, the most common response on average was switch off unused lights with 81% of global consumers having done so in the last 12 months. This is followed by re-using carrier bags and only purchasing products that are really needed.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

Some 10% of global consumers claim to have reduced the number of flights they took in the past 12 months, due to environmental concerns, up slightly from 9% in 2010.

Of course it is important to recognise that these "declines" are self-reported by consumers in a survey, and do not necessarily reflect what the airline industry itself sees with respect to actual behaviours.

IATA analysis of passenger numbers suggests that the numbers are increasing. The Air Transport Action Group (ATAG) released Aviation Benefits Beyond Borders, a detailed report on the aviation industry, in April 2014, in which they detailed flight numbers, as follows:

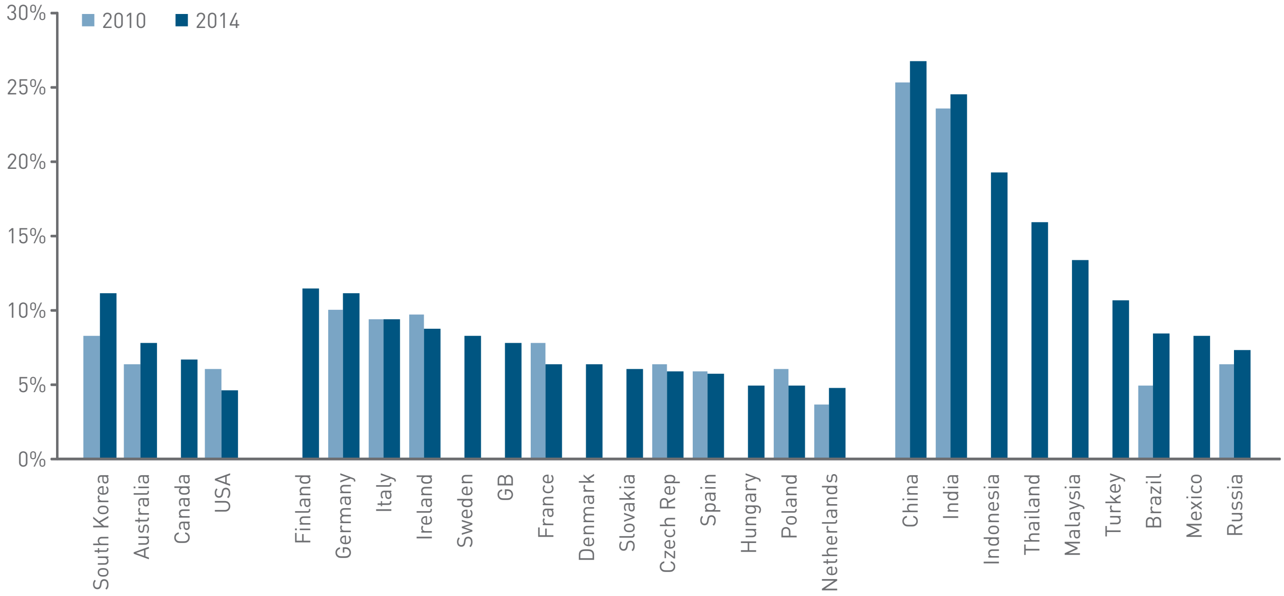
- 37.4 million flights were scheduled in 2014, up 2.7% from 2013. This equates to an average of 102,465 flights per day.
- In 2013 there were 99,726 flights per day.

Nevertheless, the consumer perception that flight reduction is an issue, may begin to encourage them to evaluate the flights they take, look to choose low impact routes or carriers running fuel-efficient airliners, or potentially engage in offsetting behaviours.

GREEN BEHAVIOURS

REDUCING FLIGHTS

"Which, if any, of the following have you done in the last 12 months?" | Reduced the number of flights I take due to environmental concerns | 2014



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

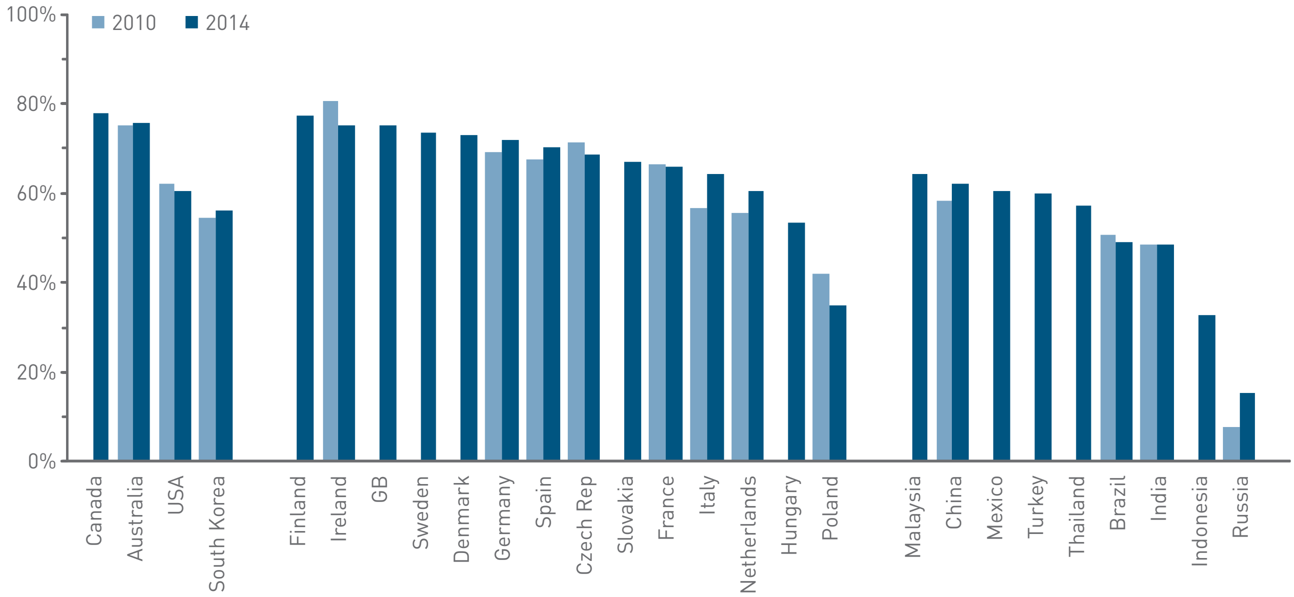
Some 61% of global consumers claim to have "recycled products that I've used (e.g. paper/newspapers, glass, cardboard, cans, etc)", up from 58% in 2010. As we've mentioned previously, we believe that this kind of behaviour pattern will be increasingly likely to "cross over" from being an active consumers undertake "at home" where they know how the systems work and local authorities often undertake recycling collections, to an all-encompassing behaviour and mindset that travellers take with them when they travel.

RECYCLING

MAJORITIES ACROSS MARKETS NOW DO SO

"Which, if any, of the following have you done in the last 12 months?" | Recycled products that I've used (e.g. paper/newspapers, glass, cardboard, cans, etc)

> Majorities of consumers across markets claim to recycle products, dipping below 50% only in Poland (35%), Indonesia (33%) and Russia (15%).



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

4. But consumers also expect governments and marketers to lead the way

As we've already suggested, the trajectory of attitudes and behaviours relating to environmental impact is not a straightforward upward curve. Arguably, as the "proof" of the reality of climate change has become more and more accepted, it has become clearer and clearer to consumers that, while many want to contribute themselves to much-needed change, the onus is on large organisations such as governments and multinationals to take the lead in driving change.

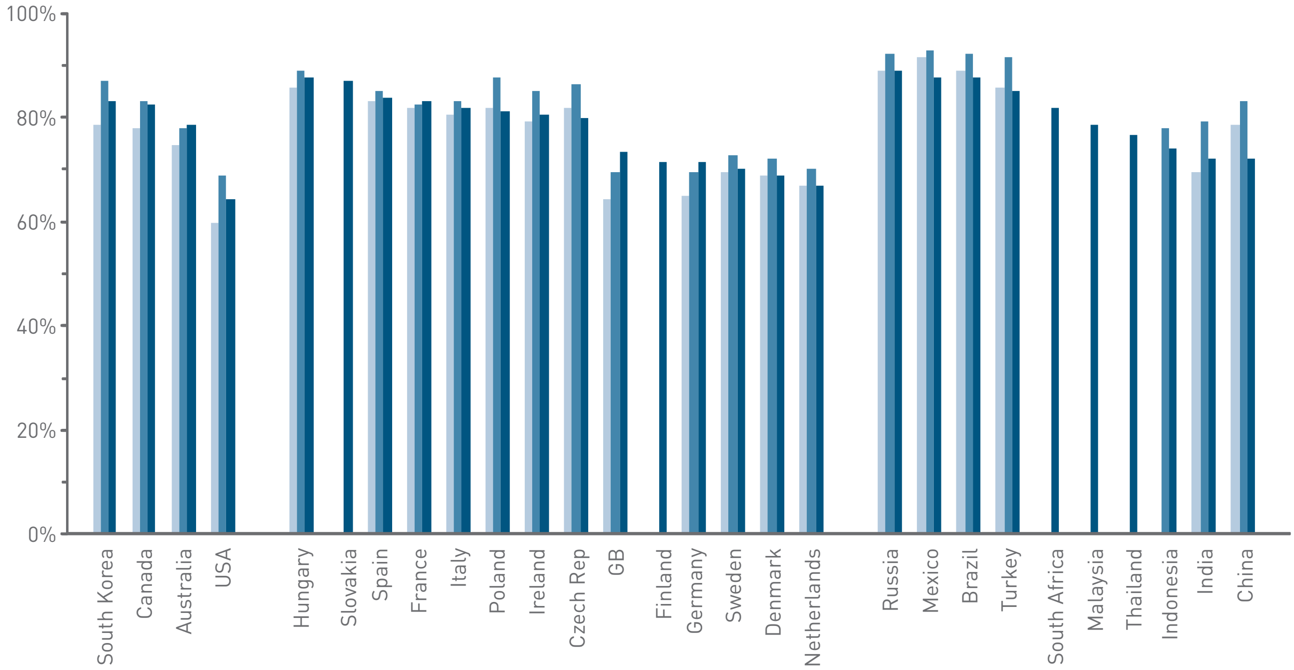
Large numbers of global consumers (79% averaged across 28 markets around the world) would like to see penalties for companies who fail to protect the environment.

CORPORATE ECO-RESPONSIBILITIES

EXPECTATIONS PRONOUNCED

"How strongly do you agree or disagree with the following statements? Companies should be penalised for failing to care for the environment" | % who agree or agree strongly, reported and adjusted data (see notes)

Expectations surrounding corporation's eco-responsibilities are high everywhere. On average 79% of global consumers agree that companies should be penalised for failing to care for the environment.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

In addition, it is clear that consumers do not expect to pick up the bill for the adoption of better environmental practices by corporations – this is something that they expect them to do as a "cost of doing business" rather than passing on cost increases to consumers.

As the chart below shows, large numbers of consumers in most markets around the world would actually want to see corporations focusing on providing value for money than engaging in corporate social responsibility programmes.

Of course, the truth is that this either/or choice is somewhat artificial. When push comes to shove consumers clearly want corporations to bring good quality products to the marketplace at as cheap a price as possible. But, we believe that they do want companies to act in favour of the planet – nowadays it is just that (a) consumers don't expect to be charged for it, and (b) they are weary of brands trying to make a big song and dance about it.

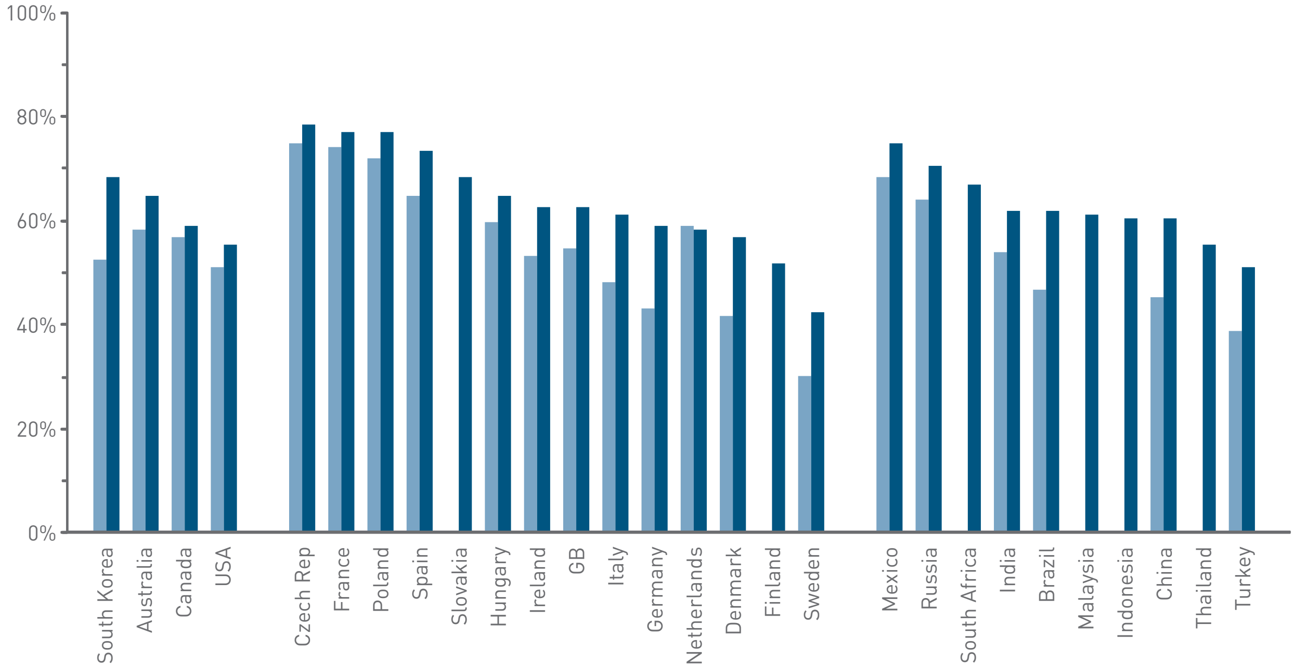
In the context of travel we believe that overtly "eco" travel offerings will continue to appeal very strongly to a minority of concerned individuals and that the average traveller will come to expect all the travel they undertake, the accommodations they stay in and the attractions they visit to be doing their best to minimise the environmental impact of their activities **without adding to the cost to the consumer.**

CSR VS VALUE-FOR-MONEY

A GROWING SENTIMENT

"How strongly do you agree or disagree? Companies should concentrate on giving value-for-money and good service to their customers - and minimise their social responsibility activities" | % who agree or agree strongly, reported and adjusted data

The proportions who agree that companies should prioritise value-for-money over social responsibilities initiatives are growing however, with the most significant increase in South Korea increasing from 53% in 2012 to 69% in 2014.



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

WHAT DO THESE CHANGES MEAN FOR MARKETERS IN GENERAL AND FOR NTOS MORE SPECIFICALLY?

While environmental concerns are definitely higher on the consumer agenda than was the case, it remains only a minority of the most committed consumers that feel strongly enough to make wholesale lifestyle changes based on the environmental impact of their choices. Leisure choices and visitor destinations that position themselves wholly or largely on their environmental credentials are likely to remain niche propositions.

This is not to say that destinations and NTOs can ignore such issues. Increasingly, travellers are expecting the accommodation in which they stay, the modes of transport they utilise and the attractions at which they spend their time to have done their utmost to minimise the resources they use, and to do so without passing on any extra cost to the end user.

The balance has fundamentally shifted. Aside from the most extreme of "eco" propositions, we believe it will be virtually impossible for travel and tourism offerings to gain much positive credit from environmental and ethical benefits. However, it will be possible, and in fact likely, that offerings that are not felt to be dealing with these issues in a proactive and adequate fashion, will be criticised, possibly in a very public way, on social media. In this context, environmental efforts become more about about avoiding criticism than being about staking out a point of differentiation from their competitors.

2. THE END OF ADVENTURE?

How has the consumer's relationship with risk and control changed? How have new behaviours around tracking, planning and indeed Googling come to affect the way attitudes about risk and reward are formulated? And indeed, how are consumers coming to see adventure, in a world where risk-minimisation is so easy that there may be an identifiable trend in risk-aversion?

In this section we will introduce four trends that explain what the phenomenon of **The End of Adventure** is, where it comes from, how it impacts travel and where it will go next. This will span two key sections as follows:

2.1 **The Death of Risk**, which explains how consumers are turning away from high-risk choices in favour of safer ones, yet retaining positive attitudes towards cultural conceptions of risk-taking – and why this could negatively impact travel. We then explore how control plays into this, with:

2.1.i **Cruise Control**, which explores how attitudes towards control are driving both risk-averse behaviour as well as maximising aspirations.

2.1.ii **Mobile Control**, which explores the behavioural manifestation of those attitudes – finding that tomorrow, it will increasingly turn to technology.

2.2 **Adventure Reloaded**, which re-emphasises why adventure still is important to consumer travel, as well as how this has turned authenticity into a necessity for travel rather than simply a benefit. We explore new behavioural trends that consumers are exhibiting which help them embed the feeling of authentic adventure into travel, including:

2.2.i **Last-Minute Living**, which explores rising behaviours that suggest the planning cycle is getting shorter and shorter – as well as far more volatile.

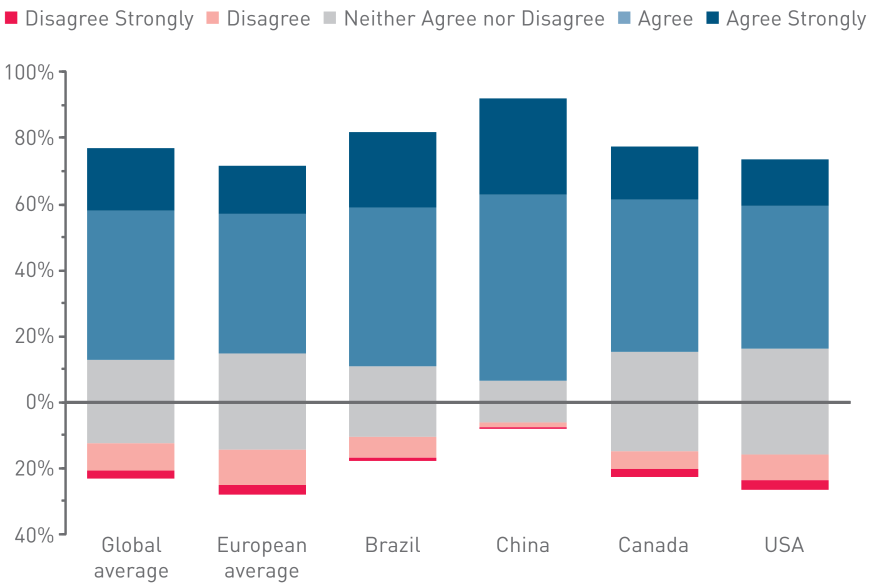
2.2.ii **Surprise Me!**, which shows how impulse and adventure are sought even before travel begins, manifesting in the inspiration and discovery phase as well – where consumers are increasingly looking for institutions to provide them surprise.

Throughout, regional, demographic and behaviour-influenced differences will be highlighted – as well as core implications that focus on the four travel stages of **Inspiration & Discovery**, **Booking & Planning**, **Journey**, and **In-Destination**.

2.1 THE DEATH OF RISK

Almost universally, risk-averse attitudes are common – particularly regarding bodily safety, where almost 2 in 3 global respondents on average agree that people should prioritise it above fun or adventure. This does not reflect a true social change so much as a baseline: that consumers today are largely unwilling to consider compromising their safety.

"How strongly do you agree or disagree with the following statements? People should think about safety before fun/adventure" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

Looking at cross-regional differences may be informative to local cultural priorities: China shows an extraordinary 86% agreement, and not a single respondent disagrees strongly.

However, the proportion of those who disagree in total is very small across the board, with little differentiation between markets.
Overall, there is a cultural understanding of personal responsibility.

Notably, millennials were not found to differ significantly in this regard from the total population in any market. Acknowledging that safety will always be a foremost priority to anyone, it is still nevertheless interesting to observe this from a cohort that historically reflect higher propensity towards risk-taking and tend to express risk-friendly attitudes.

IMPLICATIONS: INSPIRATION & DISCOVERY

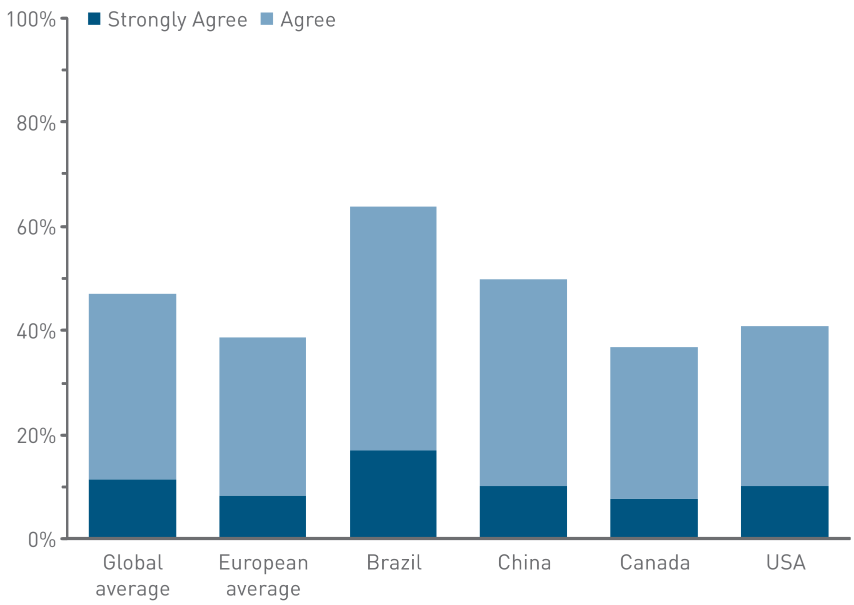
When travelling, consumers always have a heightened awareness of their own safety. But when choosing a destination, safety and risk are important considerations as well. Europe benefits greatly as a tourist destination from this standpoint; consumers are far less likely to fear for their personal safety when considering such destinations.

Marketing which overtly emphasises the safety of a destination may actually be well-received. This is particularly the case with Chinese tourists and older tourists, whose safety and risk concerns index much higher than average – and who additionally are unlikely to see their own risk-aversion as a source of shame.

But why is this relevant to travel?

We see that despite a reality of risk-averse consumers, there is a generalised cultural positivity towards the idea of risk – a conception of glamour that surrounds risk and risk-taking. We see this across markets:

"How strongly do you agree or disagree with the following statements? I am prepared to take significant risks to have what I want out of life" % who agree or strongly agree 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

ASPIRATION VS REALITY

The discrepancy between those who strongly agree and those who just agree is crucial here.

We find that those who only agree are more likely to be expressing an aspiration rather than a concrete commitment to significant risk – leaving just 1 in 10 globally whose strong agreement gives any indication of real behaviour.

As will be covered further on, behaviours are decidedly anti-risk even amongst those who say they are willing to take it.

High volumes reflect aspirational attitudes towards risk. Further on, we confirm this; actual proof of risk-taking behaviour is slim within our research - whilst proof of risk-averse, control-positive behaviour is rampant.

Qualitative research also shows that for the global consumer, there is an unwillingness to relinquish control – often particularly when it comes to travel. From Brazil, we see that despite high levels of agreement to being prepared to take significant risk, qualitative accounts of travel norms do not match.

"Online [sources] influence where this [common] traveller will choose to stay, hang out and the people whom he/she will socialize with ... That is as opposed to the backpacker, but generally, Brazilians aren't that fond of the backpacking style, especially not when it comes to long-haul travelling. It's expensive to go abroad so if you're making that investment once a year, you might as well guarantee that everything will go as planned."

TIAGO, SAO PAOLO

Claims of risk-friendliness must therefore be taken as a serious factor: not a serious commitment to actual risk-taking, but a serious declaration of an attitudinal aspiration that is important to the traveller's identity.

This poses the core of the **End of Adventure** dilemma for consumers: the underlying cultural glamourisation of risk is as crucial to positive experiences of travel as the reality of risk-averse habits.

Intuitively, we can see how this could lead to the heightening of particularised expectations and the dampening of intensity within the experience – whether consumers themselves are conscious of this consequence or not. And whilst some markets are more susceptible to active disappointment as a consequence, all indicators in this section show that there is an empirical level at which consumer travel experiences would be improved by fulfilment of their adventure-seeking.

REGIONAL DIFFERENTIATION

Currently, some markets are more susceptible to feeling frustration around their own control-seeking than others; we find that inbound tourists to Europe from the USA and Canada are particularly at risk for dissatisfaction here.

"Consumers in NYC and in the US generally are tech-savvy and information-obsessed, driven to find out information about every destination before they go there. We are a wary market and this, I think, results in The End of Adventure."

ANABELLE, NEW YORK CITY

"Even if we travel to known destinations, we are always looking to discover new things about them."

FEMALE, 46, TORONTO

This is to be expected, as those from Brazil and China are simply more likely to find intense cultural differences during their travels – in addition to both countries' being in the first generation of having a significant middle class.

But indicators exist to suggest that this may become a similar problem in the latter two markets in the longer-term future – particularly China, where **Mobile Control** is fast-rising. It may be only a question of time as to when a body of upcoming Chinese travellers could face the same struggle with disappointment.

"There has been a big ... leapfrog development of Chinese outbound tourism. While most Chinese travellers still rely on travel agents to arrange travel, in the future there will be more and more travellers who use the internet and mobile devices to make travel arrangements with greater personalisation. ... I believe advanced technologies, improved economic position and globalised view points are the real influences in people's attitude towards travel. People lead trends with their demands, not the other way around ... [and] the speed at which China is changing constantly amazes me."

XIAOLEI, SHANGHAI

The following sections explore further factors threatening adventure in all markets – before going on to identify where new inlets to adventure can be found.

2.1.i CRUISE CONTROL

Cruise Control is the foremost emerging attitude which contributes to global **Death of Risk**. At its crux is an emerging, socially-driven attraction to control. Today, control is no longer a tool with which to achieve success; instead, it is largely viewed as an end goal, a form of success in itself which must be attained.

"I think that the desire to be in control is very basic and human, and something that is ingrained. However, I think that reputation is certainly a big part of it – it's interconnected, because if you can keep control of your reputation, you can steer your trajectory in life.

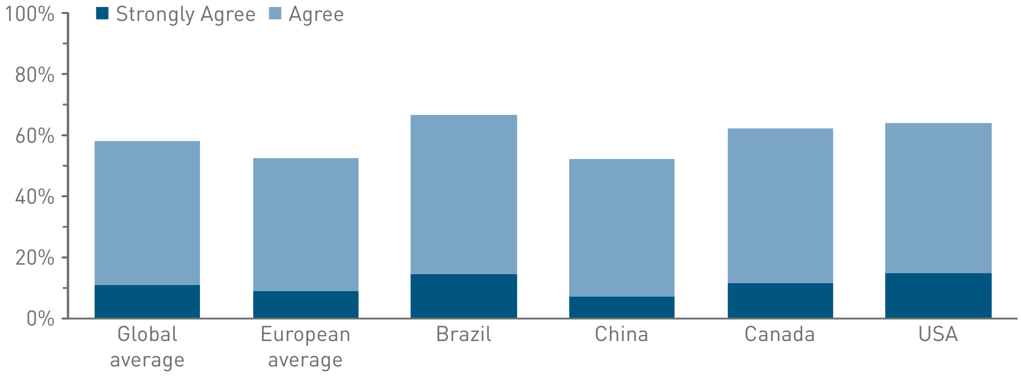
With the advent of the internet, reputation has become much more prominent and the need to control it not only in person but also online is something new that most of us have to deal with."

FEMALE, USA

Source: nVision Qualitative Research, 2015

We see that majorities across the world agree that they try to appear in control at all times – reflecting an existing social pressure.

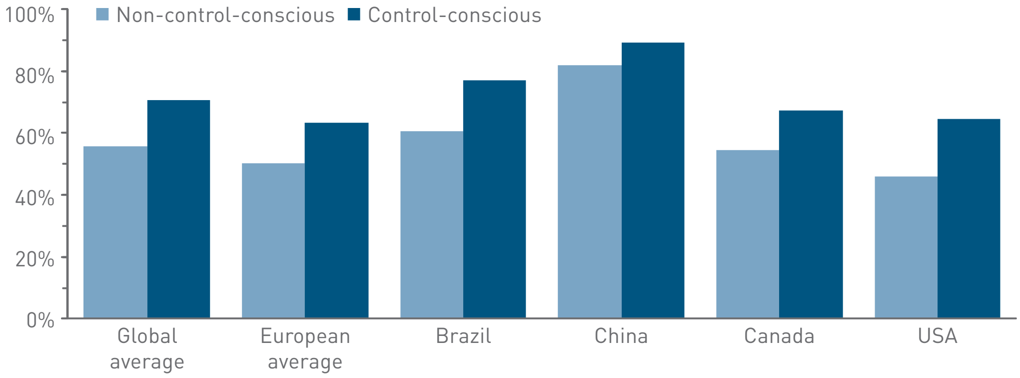
"How strongly do you agree or disagree with the following statements? I try to appear in control of my life at all times" % who agree or strongly agree, 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

We also find that those who agree that they try to appear in control at all times are also more likely to be risk-averse – something we already intuitively understand. In a world where appearing in control is an imperative, it follows that risk-taking becomes even less attractive beyond just risk in itself; it potentially could threaten social standing.

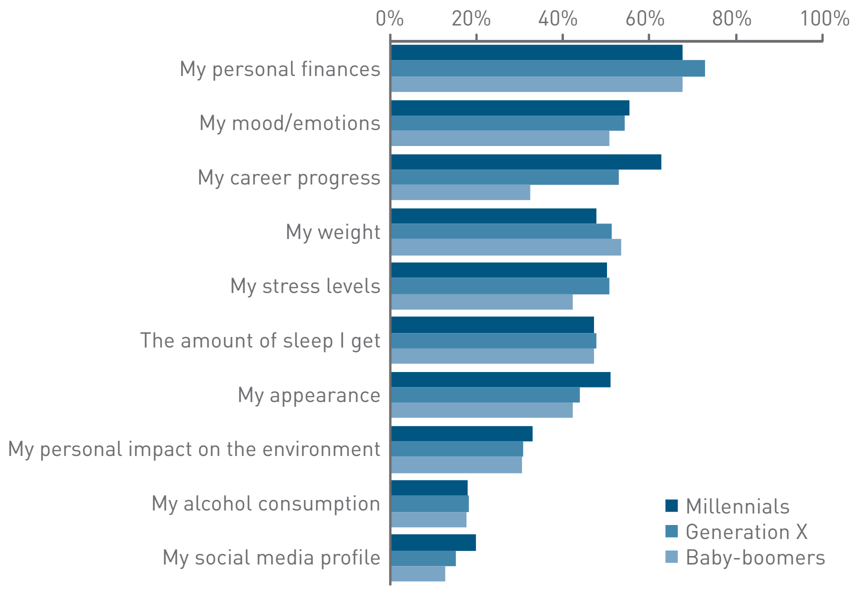
"How strongly do you agree or disagree with the following statements? People should think about safety before fun/adventure" % who agree or strongly agree, 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

And overall, we see control-oriented behaviours being exhibited across product categories and indeed spheres of life. Perhaps due to the availability of tools to help achieve total life control – from calorie counters to self-help books – we see a huge range of goals now subjected to the overwhelming need to manage and control.

"If you could better manage any of the following things in your life which would you choose? Please rank your top three and then indicate any others that you would also choose." | % who say they need to manage each option Ranked in order of preference by total average | 2015



WISHLIST FOR CONTROL

It is unsurprising that most want to better manage their personal finances.

However, other options carry stronger insight into the global consumer cohort: particularly the widespread need to manage mood and emotion. This is non-discriminatory across age groups; with the exception of Millennials, who tend to prioritise their career progress higher due to their lifestage, we see that mood and emotion are priorities for management above arguably more typical categories of stress, weight and appearance.

Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

1 in 2 global consumers indicate that they would like to better manage their mood and emotions. Significantly, this also shows very little fluctuation across demographics; the difference between Baby-boomers (51%), Generation X (54%) and Millennials (55%) is not significant.

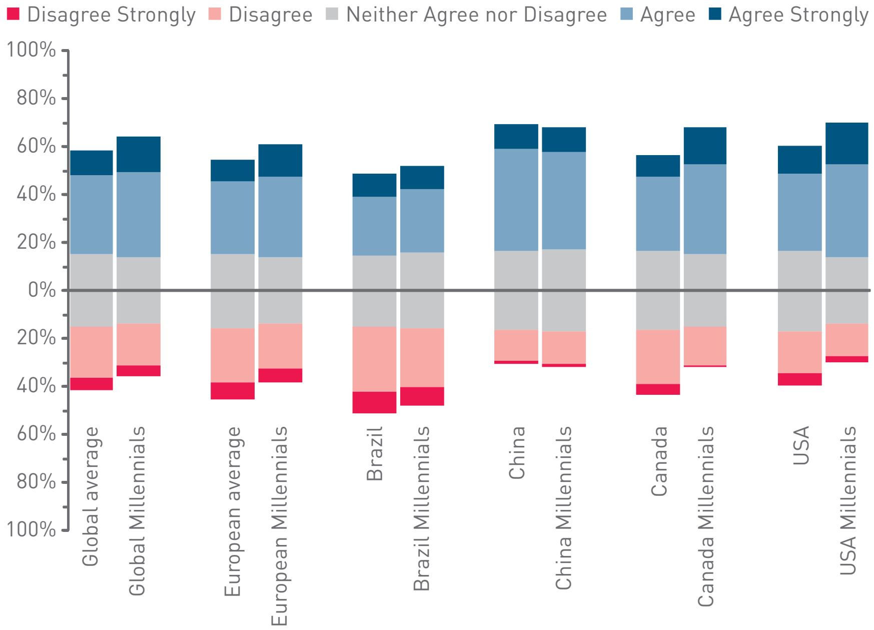
IMPLICATIONS: JOURNEY

Consumers are showing a strong need for control over their own emotional states.

As is well-known in the industry, there are obvious emotional stressors involved in the journey itself – from long layovers to fear of flying. Whilst it's obvious that it is the job of industry leaders to help tourists manage their emotional stress in these situations, it is becoming apparent that strategies to do so must revolve around empowering consumers to take control themselves.

We see a parallel decline in indulgence as a universal good. Today, indulgent behaviour seems like a niche appeal to a personality type at best, rather than being any kind of universal good. As over 1 in 2 wish to better manage their own mood and emotions, we begin to see why: pleasure is increasingly harder to justify in a **Cruise Control** climate.

"How strongly do you agree or disagree with the following statements? I love any excuse to have a celebration" | 2015



REGIONAL DIFFERENTIATION

We can see that there is a measurable difference in attitudes between age groups in Europe and North America.

However, outside of Western cultures, the same assumptions about younger consumers finding "any excuse" to have fun show little if no traction. Whilst Chinese consumers seem fairly ready to celebrate, their millennial cohort do not show a significant difference to the total. Brazilian millennials share this trait, but also reflect much lower agreement overall – as well as significantly higher disagreement than other markets.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

We see that across nations, it tends to be about 2 in 5 that agree that they "love any excuse" to celebrate – in other words, they're happy to justify it for its own sake. It's approximately a quarter of respondents that will actively disagree with this – in other words, disapproving of the concept.

But the need for control isn't necessarily viewed as a bad thing by many – although the pressures that are involved are clearly strong, they are often embraced rather than rued. Qualitative research shows that in faster-paced markets, control is viewed in a resoundingly positive light, rather than feeling like an oppressive social expectation.

"I really have a desire to be in control of my life, because it means better quality of life. I have this kind of desire since high school, when my life was occupied by textbook studying. I think the desire to be in control is one of the most fantastic things."

MALE, 25, CHINA

"[Control] has been in my life for the past couple of years [since beginning work] and the sense of independence and responsibility drives this desire. I have to be a perfect time manager in order to finish my work duties as an engineer ... home management and health monitoring are essential parts of one's daily life. I would not call it reputation exactly; it's more of sense of responsibility and confidence."

FEMALE, 27, UAE

Source: nVision Qualitative Research, 2015

IMPLICATIONS: BOOKING & PLANNING

A control-conscious consumer is one who will be eager to plan their travels well ahead. But particularly with Brazil, Canada and the USA, the social pressure to appear in control will affect them particularly strongly as well – they will also be interested in taking charge of their travels with less overt guidance.

Crucially, control-conscious consumers will demand what may look like a paradox: wanting to go on a trip that is well-organised and tightly controlled – but also wanting to be the source of that organisation as well. Tour groups and all-inclusive packages that lay out even the most attractive of plans may find themselves clashing with newer aspects of control-consciousness here. Allowing these consumers flexibility in booking is thus even more imperative – not just to allow them to personalise their travels to their interests, but to give them the genuinely sought-after position of power to do so in the first place.

However, this of course is not true of all travellers; China reflected lower averages for the "appearing in control" statement, and indeed are happy if not eager to accept more complete packages. For them, control may be more about receiving its benefits – namely, safety and having a good time – rather than being at the helm of it.

2.1.ii MOBILE CONTROL

Whilst the rise of smartphone-based behaviours is well-known, there is still plenty to explore in how much these are a direct result of Cruise Control attitudes. More, it is well worth examining how much the behaviours these technologies enable are affecting consumer attitudes in turn.

Today, consumers carry with them increasingly powerful tools to find information, verify realtime claims and organise their lives. But more than that, they carry with them a constant portal to social media and all of its associated pressures, countless inevitable push notifications, a world of on-demand entertainment and otherwise constant connectivity.

Between countries, there are differences – China in particular is a market to watch closely, as its political context has resulted in its own internet and smartphone coming-of-age happen in relative isolation to the rest of the world. Whilst other activities such as "take photos" appear lower on the list in China in comparison to other regions, this is deceptive in its own way: 78% of Chinese smartphone owners report doing so, compared to 60% in Canada or 62% in the US. Meanwhile, browsing for products is stronger in China and Brazil than in Europe and North America, reflecting different maturity levels of the m-commerce markets in these countries.

TOP 10 WEEKLY SMARTPHONE ACTIVITIES
"How often do you do the following activities on your smartphone, either through a web browser or an app?"
% of smartphone owners who do these activities at least once a week, 2015

Global average	European average	Brazil	China	Canada	USA
Check news	Check news	Access a social networking site	Check news	Access a social networking site	Access a social networking site
Access a social networking site	Access a social networking site	Communicate using a social networking site	Access a social networking site	Communicate using a social networking site	Check news
Take photos	Take photos	Check news	Manage my personal life	Take photos	Communicate using a social networking site
Communicate using a social networking site	Communicate using a social networking site	Take photos	Manage my work/ school life	Play games	Take photos
Manage my personal life	Manage my personal life	Watch video content	Watch video content	Check news	Play games
Manage my work/ school life	Manage my work/ school life	Manage my personal life	Browse products I am interested in buying	Manage my personal life	Manage my personal life
Watch video content	Play games	Browse products I am interested in buying	Take photos	Watch video content	Watch video content
Play games	Watch video content	Play games	Communicate using a social networking site	Manage my work/ school life	Manage my work/ school life
Browse products I am interested in buying	Browse products I am interested in buying	Post photos on a social networking site	Play games	Browse products I am interested in buying	Browse products I am interested in buying
Read product reviews/compare prices for a product	Read product reviews/compare prices for a product	Read product reviews/compare prices for a product	Read product reviews/compare prices for a product	Use maps	Use maps

Source: nVision Research | Base: All smartphone owners among 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2014 February

And ultimately, consumers log countless facts of their lives in quantifiable, data-driven form – whether the act of "logging data" is conscious or not. A smartphone owner's device becomes a digital narrative of their life's most important and most mundane data – one which is increasingly relied upon to make crucial decisions, remember appointments and ultimately manage life.

IMPLICATIONS: IN-DESTINATION

The more reliant consumers are on their devices, the more they will be unhappy to do without them. Consumers may have acute fears of inter-regional incompatibility, and will appreciate help to put those fears to rest or actually take measures to lessen these pain points; power adapters and portable chargers could become tour staples as regular as bottled water.

"[But] 3G/4G honeycomb costs are high while travelling in the EU, US and especially in less popular countries where wireless is not accessible everywhere as you expect."

CARRIE, SHANGHAI

Qualitative research has revealed confirmation of **Mobile Control** behaviours across all markets. More, however, we see many agree that there is a rising sense of technologically-influenced control-seeking that has impacted more than behavioural habits – its reach extends to attitudes as well:

"Brazilians are embracing more and more forms of technology and are immersing themselves in online activities and smartphones. ...The use of apps to help users navigate the city is steadily growing among those living in big cities in Brazil. But ... the use of more personalized apps to help you discover places and routes in your city outside the needs of your routine has yet to improve."

TIAGO, SAO PAOLO

"[This trend] is quite well established in the Canadian market. There are several GPS based apps that provide information to consumers about the availability of goods based on their location. App-based trends ... will definitely grow and evolve with technology."

SAHRISH, TORONTO

"This trend impacts the US to a large extent. The US – and New York City especially – is a very digitally-minded market. As a citizen of NYC, much of how I live my life is reliant on apps that provide me with useful information, and this is the norm [which] also extends to travel. ... It has most definitely has grown and, in my opinion, will only continue to grow."

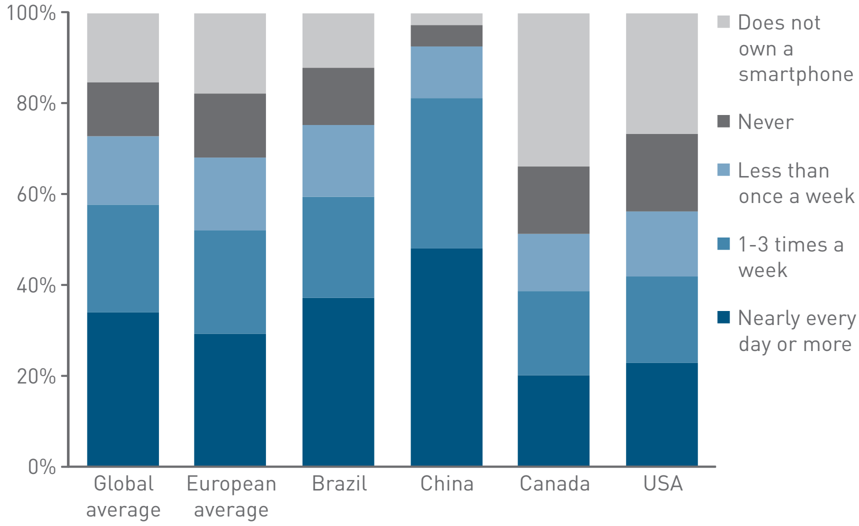
ANNABELLE, NEW YORK CITY

"This trend has definitely grown in the past few years. A group of my friends and I had been planning a trip to Tibet for 3 years and finally realised it in June thanks to the convenience of new technology. We went through photos in world traveller on WeChat and identified places we wanted to go, then booked the trip partially by ourselves and partially through local travel agent. We had a planned agenda and shared our experiences daily with our friends. I have to say, had we made the trip 3 years ago, it would not be so personalized, or at least not as easy as now."

XIAOLEI, SHANGHAI

Quantitatively, there is data to support that the **Mobile Control** mindset is rising as well; we take a closer look at those who are indeed taking up the forefront of this trend: the 1 in 3 on global average who report using their smartphone to "manage [their] personal life" once per day or more.

“How often do you do the following activities on your smartphone, either through a web browser or an app?” | Manage my personal life e.g. using notes, alerts, reminders, calendar | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

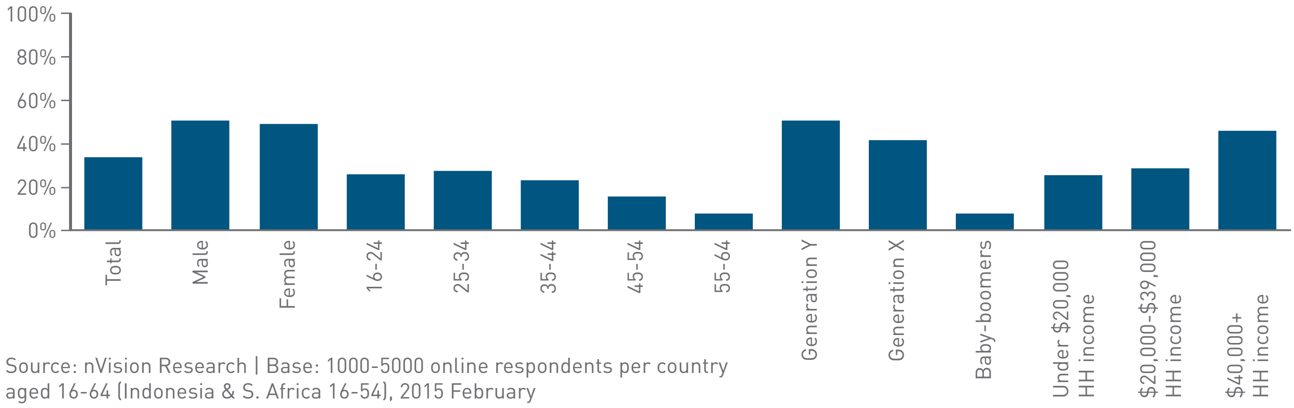
Around 2 in 3 are using their smartphones as personal life managers; half of that proportion go on to do this daily.

Figures are significantly lower in North America, but this is largely owing to their lower ownership overall; proportions within smartphone owners are similar across the board.

China’s notoriously high ownership – particularly amongst the elderly – shows through as well. Almost 50% of Chinese respondents will manage their personal lives using a smartphone every day.

A quick scan of this section of the global average reveals that there is strong overlap between their demographics and the demographics of tomorrow’s most important travellers: unsurprisingly those in either the millennial or Gen X age groups, but also the most affluent:

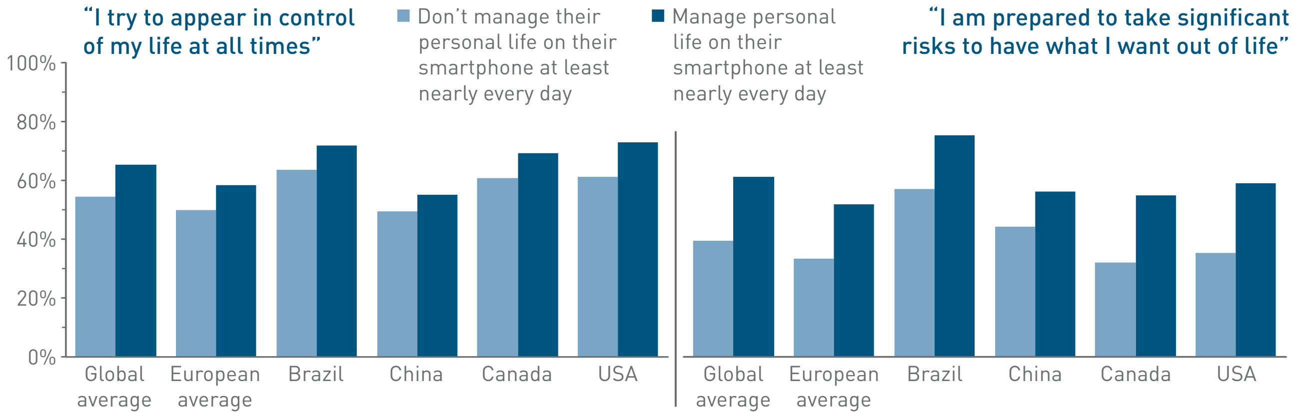
“How often do you do the following activities on your smartphone, either through a web browser or an app?” Manage my personal life e.g. using notes, alerts, reminders, calendar | % of people who manage their personal life nearly every day or more | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

What is significant about these **Mobile Control** consumers is that they reflect consistently different attitudes towards those who use smartphones less often: they show higher desire to appear in control, and simultaneously a much higher willingness to take risks for personalised reward.

“How strongly do you agree or disagree with the following statements?” % who agree or strongly agree, 2015

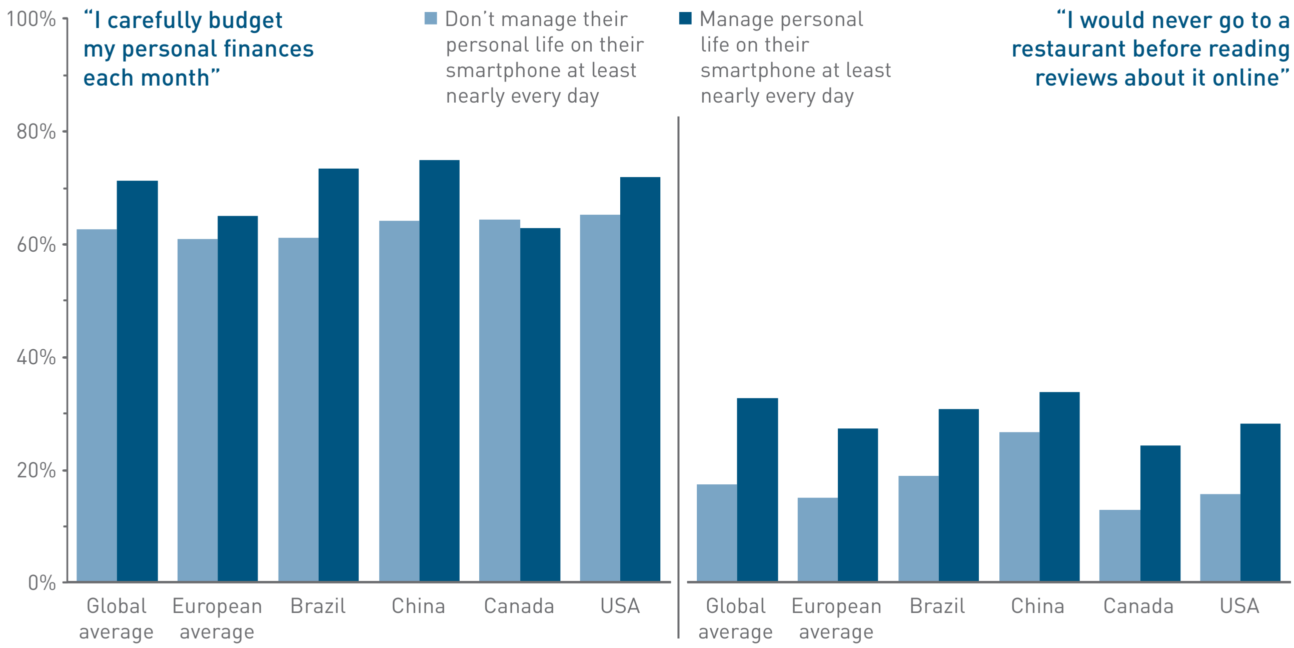


Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

We find a cyclical effect at play here: as technology enables greater control, control-consumers will increasingly turn towards technology as a control tool.

This once again works to confirm the overwhelming consumer attitude that acceptable risk is goal-oriented risk – and from a practical standpoint, results in behavioural trends towards research and preparation. As a result, **Mobile Control** often looks like risk-averse behaviour:

"How strongly do you agree or disagree with the following statements?" % who agree or strongly agree, 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

We see that the cohort of consumers who take greatest caution and do the most research are actually the same cohort who are the most open to then making "risky" decisions. Control-seekers are today's most willing adventurers – so long as control has been affirmed through preparation.

IMPLICATIONS: BOOKING & PLANNING

There will be an increase in the pro-control yet pro-risk mentality amongst those who are using their smartphones more – a sizeable chunk of future travellers. This is good news for tourist boards, who would otherwise be permanently forced to contend with purely risk-averse consumers.

But they must also be mindful that the booking and planning stage for this group is likely to be polarised: either meticulously planned down to the last detail in an extremely independent fashion, or entrusted to a service that goes above and beyond their existing expectations in terms of personalisation and giving them control.

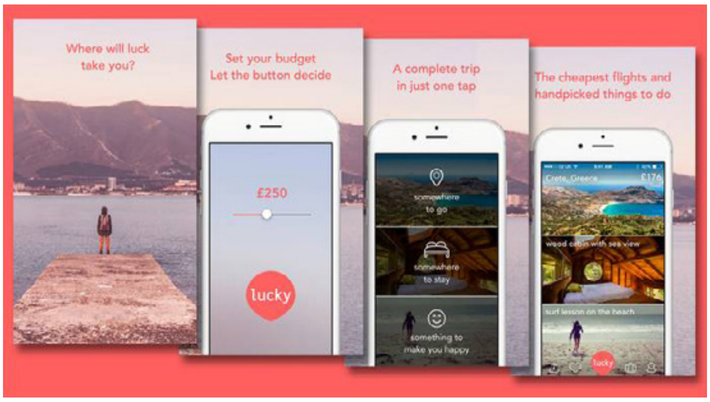
It may be more fruitful to make more detailed resources available to this empowered group, rather than attempting to assume what they'd like in their itineraries – not least because they are automatically going to have extremely diverse priorities despite their similarities.

Alternatively, they will want flexible and powerful tools to assuage their fears that they might not be getting the best value – or simply might not be finding the most worthwhile activities and attractions out there for the time they're taking.

LuckyTrip[1] is an example of such a tool – one whose promise of maximisation via a slick interface, price-adjustability and ultimately consumer choice and control are enough to allow much of the decision-making to be left to the app itself. Similar services could be made available both for remote consumers in planning stages as well as in-destination travellers.

1. www.luckytrip.co.uk

CASE STUDY: LUCKYTRIP



Like so many of today's most innovative service apps, LuckyTrip was actually created by consumers – a pair of brothers in East London who identified a need in the market caused by exactly the choice-paralysing factors discussed in **Mobile Control**.

The service is currently available for iOS in the UK only, but has declared plans to launch in other countries in Q1 2016. Whilst Apple's AppStore do not publish download statistics, they did select the app for their Best of 2015 awards list.

The app's fundamental offering is that it provides users complete holiday proposals within a personal budget with a single tap. Promising "somewhere to go, somewhere to stay, and something to make you happy", the service has partnered with Skyscanner for flights and Bookings.com for rooms, before hand-picking ticketed local attractions from TripAdvisor to create a full package.

NOTEWORTHY STRATEGY?

The two founders of the app took a unique approach to product testing: rather than going straight into app development and releasing it directly to consumers, they launched the concept alone on a single webpage, inviting viewers to register their interest – but requiring that they answer a short survey about their travel habits in order to do so.

Evidence of registered interest provided impetus for further development – as well as providing a "soft launch" style marketing campaign – but perhaps more crucially, answers from the questionnaire aided development early on.

"For too long now the process of finding and booking a trip has been time consuming and complicated. The traditional travel sites are cluttered, with hundreds of choices that easily overwhelm you.

Quite often people just go with what they already know, choosing the same tourist spots as everyone else. We think this is because of the way traditional travel companies work. They all like to ask us 'where do you want to go?'. But what if you don't know where to go? We think for a lot of people a much more relevant question is 'how much do you want to spend?' LuckyTrip searches by budget, not by location. Tell us how much you want to spend and LuckyTrip does all the hard work for you.

If you don't like a trip, keep on tapping 'Lucky' to generate trips to new locations. Save trips, share them with friends and book, all on your phone."

TIFF BURNS, CO-FOUNDER, LUCKYTRIP (SPEAKING TO TECHCRUNCH, OCT 2015)

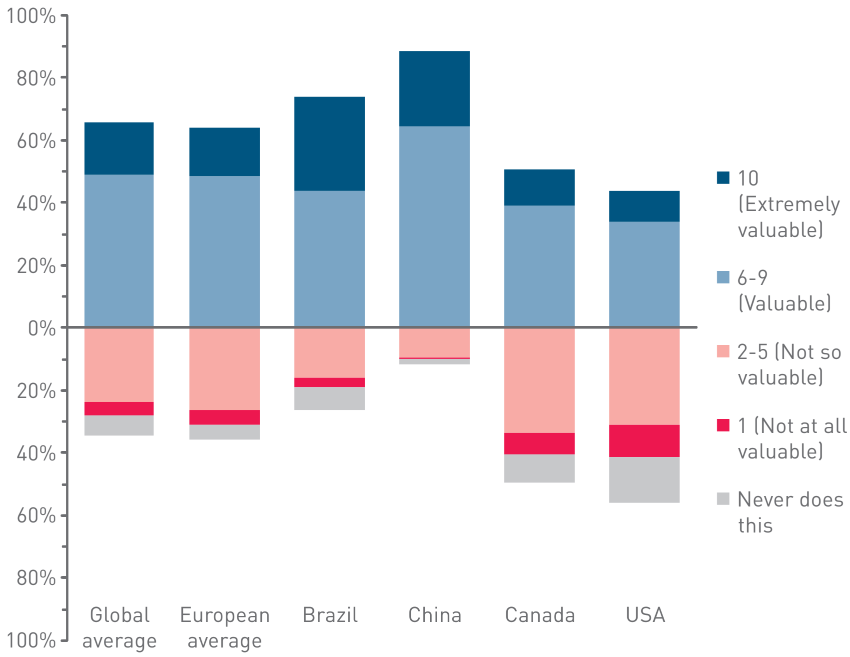
2.2 ADVENTURE RELOADED

Whilst we've established the reign of the control consumer, we have also found that they are actually even more attracted to the idea of being risk-takers – even if unwilling to put that into practice. The concept of adventure thus becomes crucial to cultural ideas about travel, as it leaves room for consumers to fulfil their aspirations around risk-friendliness whilst not necessarily relinquishing practical control.

In the following sections, we explore trends which show that control actually enables positive attitudes towards new experiences and adventure-seeking. Here, we see that control consumers are finding their own solutions to embedding small slices of adventure into their travel – particularly **Mobile Control** consumers.

Majorities across the board are rating "travelling to countries I have never been to before" as between 6-10 in value on a scale of 1-10, with almost 90% of those in China ranking it this highly. Even more indicatively, we see high proportions in Brazil and China who give it a full 10/10 score; particularly in these growth markets, hunger for new experiences and worldliness is very real.

"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable): Travelling to countries I have never been to before"
% who rank it at each 1-10 value, 2015



REGIONAL DIFFERENTIATION

For most, travel to specifically new places is strongly valued – whilst significant proportions in Brazil and China give it the maximum valuation score of 10. China once again proves particularly travel-friendly.

Notably, however, the North American countries reflect significantly lower scores than the Global Average. Perhaps even more significantly, the USA reflects a high proportion of those who do not consider it valuable at all; it is the only country with an equal proportion of those who rate it a score of 1 to those who rate it a score of 10. In addition, the USA also has a significantly high proportion of those who select "I never do this".

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

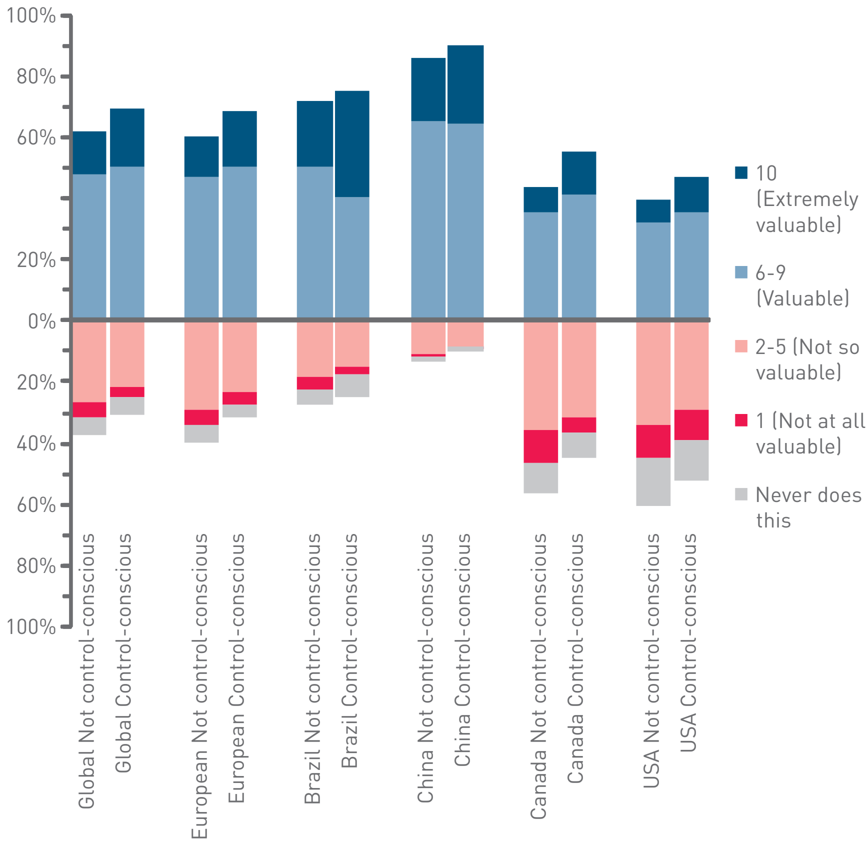
IMPLICATIONS: INSPIRATION & DISCOVERY

For those coming from extremely different cultures – such as Brazil or China – travelling as far as Europe to see a very different cultural and social context may be enough to constitute adventure; and we see that there indeed is a healthy appetite there.

For those coming from closer Western cultures in Canada and the US, Europe is a comparatively less-exotic destination, and may not carry the same connotations. For these North American markets, it may be beneficial to emphasise cultural differences in marketing and communications to inspire curiosity – rather than playing to physical attractions and landmarks, it may well be more effective to emphasise the depth of culture there is to explore and expose differences between.

And confirming our findings from the previous section, we see that those who are more control-oriented are also the more eager adventurers. They are five percentage points on average more likely to rate "travelling to countries I have never been to before" as a 10 out of 10:

"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable): Travelling to countries I have never been to before" | % within those who NET agree with "I like to appear in control of my life at all times" and those who do not, 2015



REGIONAL DIFFERENTIATION

The overall proportion of those who have travelled does not change significantly based on level of control-consciousness.

Canada and the USA seem to show the greatest net difference – particularly Canada, where there is a significant reduction in the proportion who strongly disagree in the control-conscious.

Nevertheless, a consistent increase in value is measurable across the board amongst those who are conscious of control. There is most likely an underlying demographic factor correlation at work here – most likely to be affluence.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

The question remains: how are consumers attempting to reconcile their need for originality in their experiences with their tendencies for control?

An underlying first indicator emerges from qualitative research: the importance of experiential authenticity.

"Brands need to find a way to keep up with the public and to improve their reputation with a consumer base that is growing smarter and more aware. They will find new, clever ways to permeate everyday existence and express their brand message in ways that are experiential. I also think that [co-created experiences] will grow in future, as the world becomes more saturated with information and people feel an increased need to express themselves in ways that feel authentic."

ANABELLE, NYC

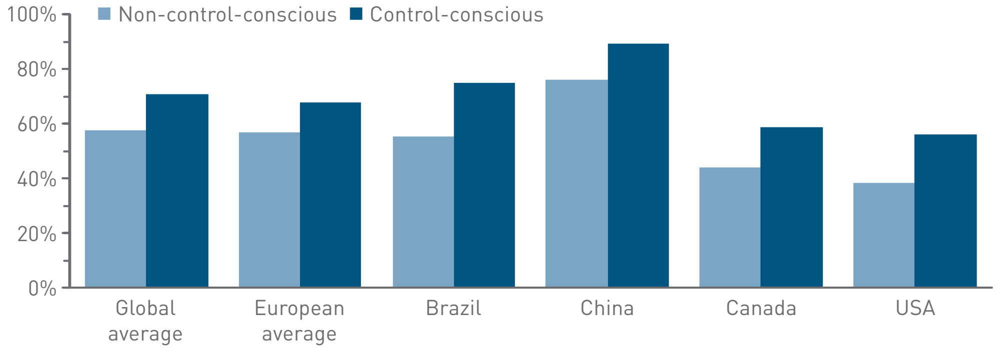
"In the Canadian market ... more people want to discover the authentic side of the destinations they visit ... instead of the regular tourist attractions that the government want them to see. They want to take excursions to visit smaller towns and meet the locals and how they live their lives. Unless there's an issue of security, this trend will only grow as travellers continue to want to expand their knowledge of the world."

SAHRISH, TORONTO

These sentiments highlight that the feeling of authenticity is important – particularly given how much information currently exists about the world, and how the consumer's own empowerment may be creating new angles in the demand for authenticity.

Quantitatively, this can be confirmed in a final correlation. Control-conscious respondents showed a 13 percentage point increase in comparison to the non-control-conscious in their levels of prioritisation of authentic experiences, from 58% to 71% in the global average. For smartphone life managers, the percentage point increase was identical, from 61% to 74%.

"How strongly do you agree with the following statements? When I go on holiday, the most important thing for me is to experience the authentic culture of a place" | % who agree strongly or agree | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

IMPLICATIONS: IN-DESTINATION

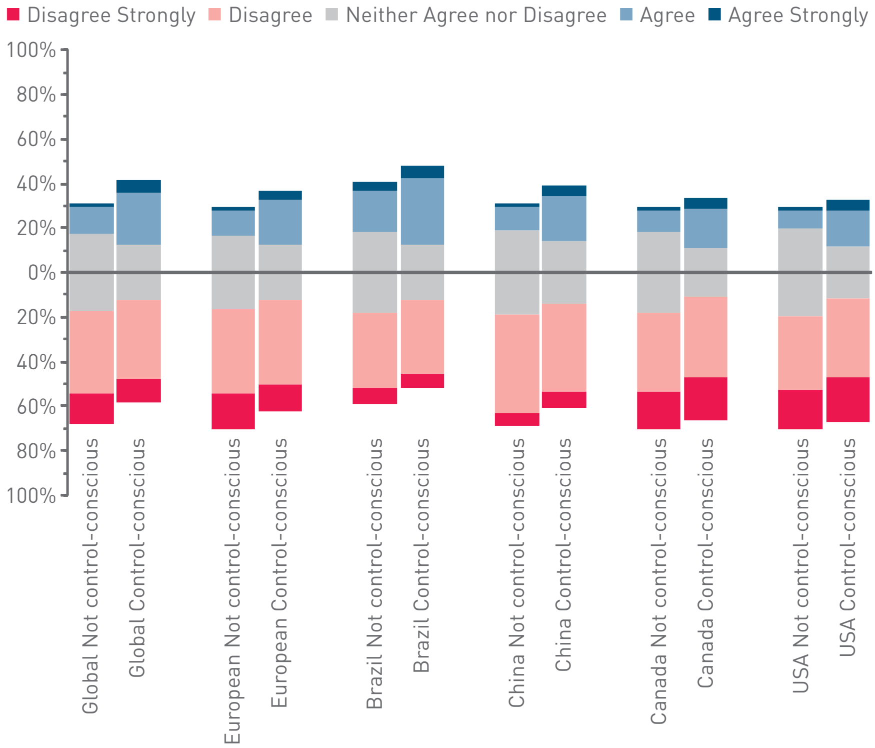
Whilst consumers may say that authenticity is a priority, there is a practical limit to this which is not necessarily consistent with declared attitudes – just as there is with risk as we explored earlier. And of course, regional disparities exist – particularly with the groups from China and Brazil more strongly associated with the kind of destination-hopping travel which involves little more than being driven from one landmark photo opportunity to another.

But given different levels of exposure and differing levels of cultural difference, "experiencing authentic culture" is in fact highly subjective – much more so than risk. These indicators simply remind industry providers that the correct mentality with which to approach these consumers is to recognise that there is a lower threshold for perceived authenticity – rather than a deprioritisation of authenticity altogether.

2.2.i LAST-MINUTE LIVING

Despite the control-consumer's increased ability and desire to carefully make plans, it is perhaps their opportunity-maximisation that also drives them to an increasingly last-minute style of planning. In a world where consumers are constantly looking for newer and better opportunities to spend time and effort on, it follows that more fluidity is in demand.

"How strongly do you agree or disagree with the following statements? I often find I cancel my leisure plans at the last minute" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

Half of consumers dislike the idea of cancelling last-minute. Especially in Canada and the USA, we see high numbers who claim they "strongly disagree" – suggesting that this is not only outside of their habits, but something they hold themselves to.

It thus makes sense that amongst the control-conscious in those markets, the proportion who disagree also increases slightly – as keeping to the principle of upholding plans is clearly a control-friendly habit.

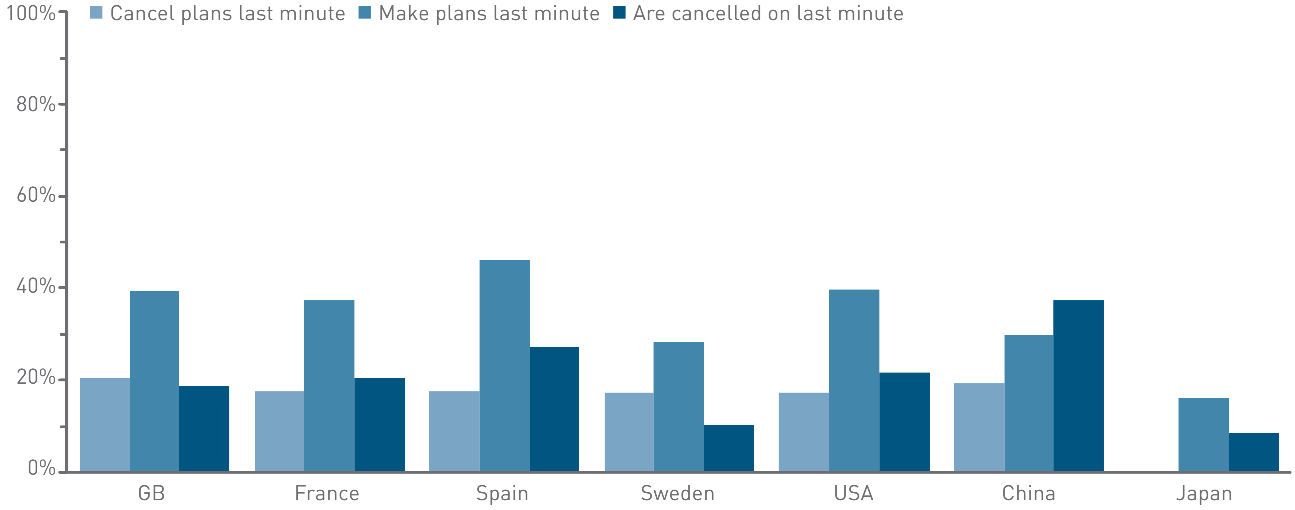
But we also see that there is a more significant and more consistent rise in those who cancel last-minute when it comes to those control-oriented consumers.

Of course, those who cancel last-minute on plans are still well in the minority – and particularly with large-scale leisure such as travel, we're unlikely to see a huge influx of last-minute cancellations.

It is more significant to simply note the disparity between those with differing attitudes towards control – illustrating that the control-conscious consumer doesn't conform to the tight-laced, schedule-adhering identity of old control models. Those who desire to appear in control may well have more chaotic lives than those who don't – whether it is due to pre-existing stress which prompted their control-seeking in the first place, or simply the maximising tendencies that control promotes.

The other side to the last-minute cancellation is the last-minute booking – a far more positive behaviour for the travel industry, and one that indeed does reflect higher numbers of uptake globally.

**"I often find I cancel my leisure plans at the last minute" | "I often find I make my leisure plans at the last minute"
"I find people often rearrange leisure plans they have made with me" | % who agree or strongly agree, 2015**

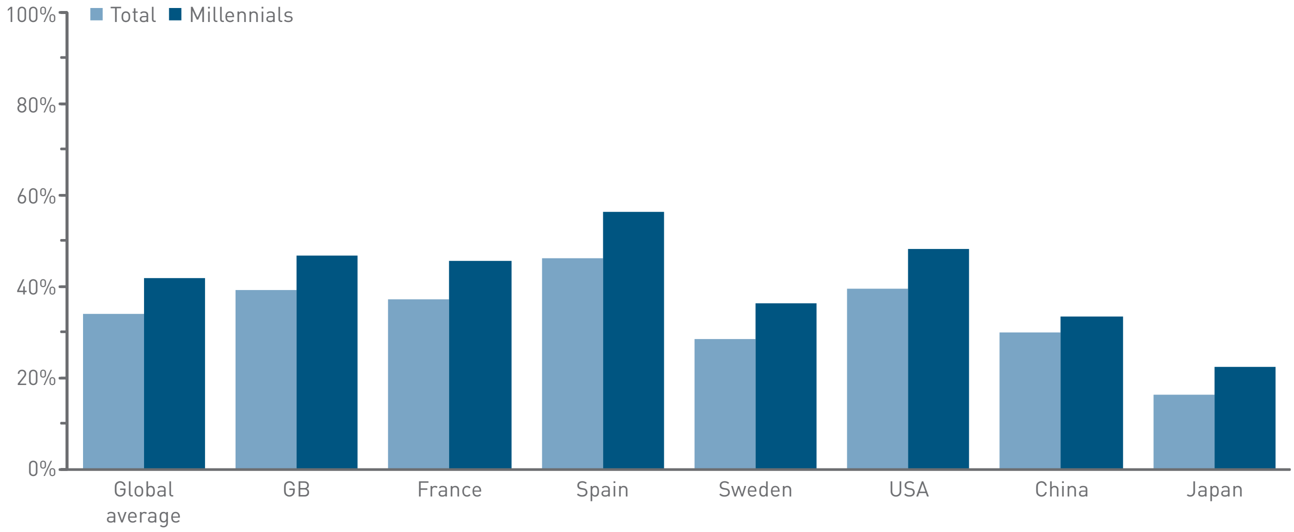


Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February
Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

*Note: questions on making plans last minute and having others rearrange last minute were asked in a smaller global wave that only included the above countries

We see a new behaviour of "controlled impulsiveness" emerging across markets. With 40% in the US claiming that they make plans last minute and 30% in China – rising to 1 in 2 and 1 in 3 respectively when it comes to millennials – last-minute travel doesn't look likely to stop any time soon.

"I often find I make my leisure plans at the last minute" | % who agree or strongly agree, 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

FOCUS ON: CANADA & USA

Paradoxically, consumers in these markets may be creating another demand for themselves in their pursuit of the optimally worthwhile holiday. A softer attitudinal element is at play as well: the idea that spontaneity and impulse is valuable to an authentic adventure. We've already seen that consumers perceive themselves to be control-conscientious regardless of their behaviour – and backlash from this may also be contributing to the rise of last-minute bookings and cancellations.

Qualitative research shows there is a recognition of loss – loss of spontaneity that occurs in a world of control and tech-saturation:

"As a mom, I need to have the whole itinerary down before I travel. I'm totally guilty of taking all the spontaneity out of it, but I love how easy it is to research and book everything now!"

FEMALE, 33, USA

"Vacations [are] less spontaneous on the whole because even when having arrived in a location ... [you] can log in and figure out their day without any help from the tourism bureau employees."

FEMALE, 31, CANADA

CASE STUDY: TRANSAVIA #SNACKHOLIDAYS

Transavia is a low cost Dutch airline offering flights around Europe and the Mediterranean. Its French subsidiary, Transavia France released a new kind of snack, one which included a flight ticket. Sold at participating shops, a cinema and at two vending machines in Paris, the gummy bears, crisps and cereal bars included flights to Lisbon, Barcelona and Dublin respectively.

Consumers entered the code found inside the snack bag on a specially designed website, snackholidays.com, allowing them to book a one way flight with the price being guaranteed to be as displayed on the packaging, all costing below €40. There was, however, still a booking fee to pay, as well as extra charges for any additional luggage. Passengers could take flights from June until October 2015, all leaving from Paris Orly.

French advertising agency Les Gaulois designed the campaign, with the aim to turn buying a flight ticket into a more fun, accessible experience, taking buying a flight ticket offline, and into where you least expect it, in a grocery store.

NOTEWORTHY STRATEGY?

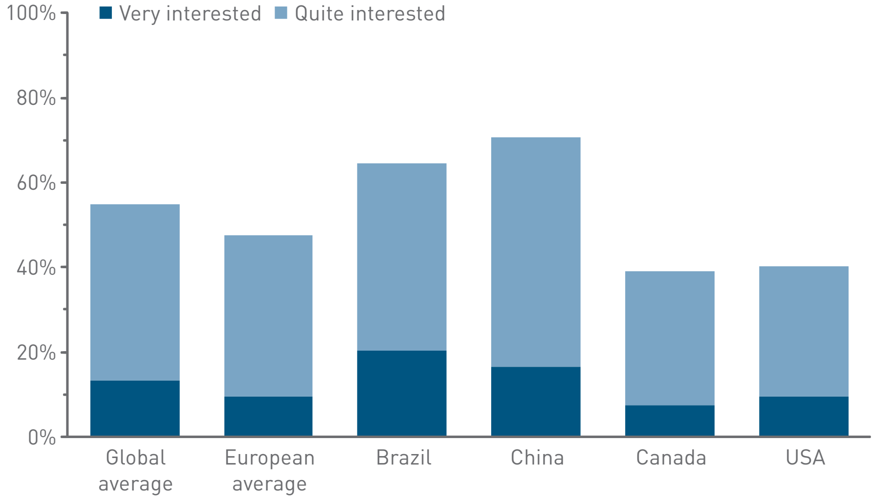
Although the price of the flights wasn't discounted particularly heavily, the relocation of flight purchase added to the sense of impulse the airline was attempting to capitalise on. The decision to buy a snack is a much more familiar, whimsical process; something which the brand felt could be extended to flight purchases, turning it into a simpler, more impulsive decision. The campaign, which was run on electronic billboards and static ones alike – as well as a viral video released on YouTube – emphasised much the same point.

By changing the type of decision buying a flight was, the campaign aimed to convert potential travellers into real passengers.

Impulse is thus in demand both from the standpoint of busy time-compressed consumers who are seeking the best options out there, whether they were part of the original script or not – as well as in a more attitudinal sense in the USA and Canada, where a sense of adventure is lost in too rigid a schedule.

It is thus unsurprising that we see a rise in demand for services that could enable this – particularly ones driven by predictive analytics which are increasingly enabled by **Mobile Control** habits.

"How interested would you be in any of the following services? A service/device that detected your location and suggested interesting things to spontaneously see and do in the nearby area" % who agree or strongly agree, 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

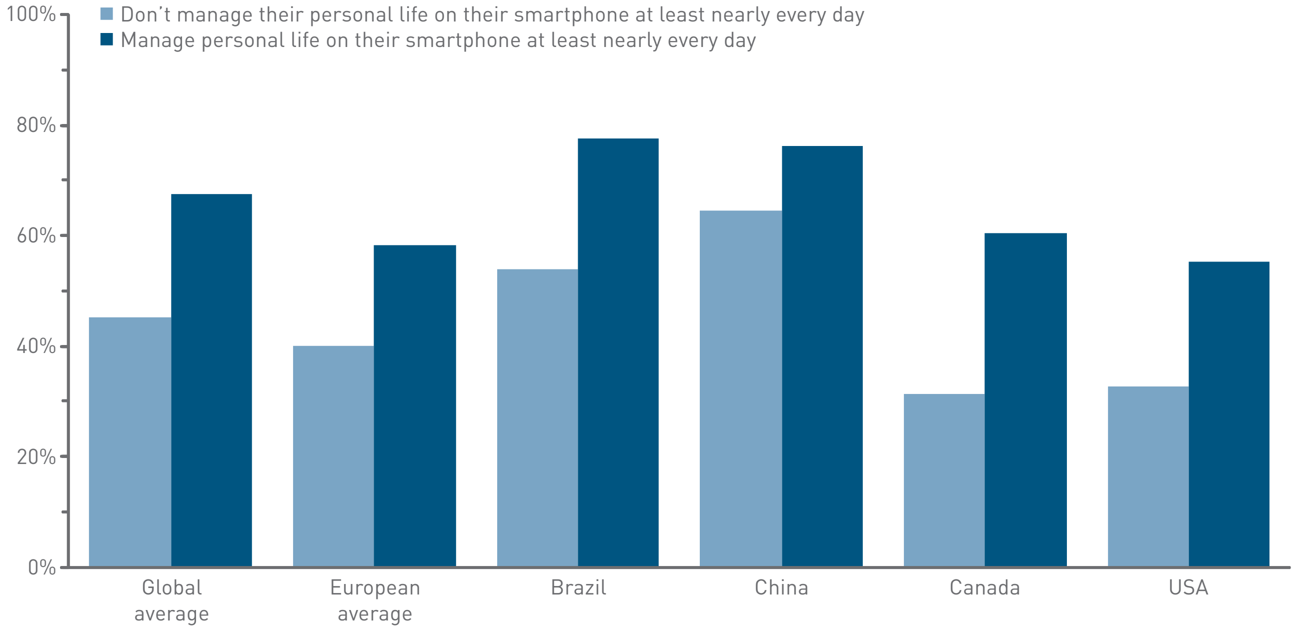
REGIONAL DIFFERENTIATION

Brazil and China show extremely positive responses to location-detecting services; this is likely due to their wider use and uptake of smartphones as already identified.

It is Canada and the USA that show relatively lower interest – but given what has been established about their need for feeling spontaneous, this suggests that such services could grow if marketed appropriately.

Demographically, those who are interested are similar to those 1 in 3 consumers who are using smartphones as a regular life-management tool: they are aged 16-44, and often in the highest bracket of affluence. Behaviourally, it is also as expected: looking at interest within the smartphone life managers, we see very significant increases – with strong proportional gains in the USA and Canada as well.

"How interested would you be in any of the following services? A service/ device that detected your location and suggested interesting things to spontaneously see and do in the nearby area" | % who are interested | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Finally, we can qualitatively detect that services are emerging as well – particularly in the USA, despite the relatively lower levels of interest that are reflected above. This will only drive consumer demand in this area.

IMPLICATIONS: JOURNEY

The key to engaging consumers is to be able to pinpoint when they are most open to suggestion – which is often in transit. Travel industry providers will find that they are able to offer completely fresh opportunities for adventure that have never been possible before by capitalising on the spare "in between" moments that otherwise remain grey space – from cancelled meetings to long layovers.

IMPLICATIONS: IN-DESTINATION

Noting both the rising willingness to make and cancel plans last minute, there is potential to get travellers to change their itinerary once they are in-destination – or simply fill up any blank space they're likely to have left.

Learning how to engage travellers whilst in-destination will become increasingly important as their propensity to change plan grows. Attractions and destinations should emphasise how latent opportunity for exciting experiences are also those experiences that simply could not have been booked ahead.

CASE STUDY: LOUNGEBUDDY

Loungebuddy is an app which is entirely dedicated to helping consumers find airport lounges and the correct information about them. For many business travellers, airport lounges are a key differentiator when choosing flights, airline carriers and airports. By using Loungebuddy, travellers are able to search, view, review and share their preferred lounges.

For those travellers who seek to test out lounges or who desire a one off access to a specific lounge, the app offers day passes. By entering a travel itinerary into the app, it lists the available lounges according to location.

The app aims to be an easy, single source for up to date lounge information, including information on amenities, eligibility and availability, as well as providing extra revenue for the air travel industry and ensuring airport lounges maintain their mantra of exclusivity and calm.

NOTEWORTHY STRATEGY?

Loungebuddy's founders are two keen travellers who were continuously disappointed to find that, when they arrived at an airport lounge, it did not include the features and services that had been listed online. They aim to demystify the information surrounding airport lounges, making it clearer what facilities an airport lounge does, or doesn't have. This level of easy transparency is something which many travellers crave when away from home, as well as being able to find somewhere comfortable, with the correct amenities, during in-between moments when travelling.

"I could never seem to find accurate and unbiased information on airport lounges. In addition, each lounge had different amenities, access requirements, and standards. With all of my elite statuses and premium credit cards, I had access to hundreds of lounges around the world, yet the lounge I happened to enter either lacked the specific amenity I needed, or was drastically different from the marketing materials I was able to find online. I knew that if someone as travel savvy as me was having trouble, most other travellers were as well."

"Back in July of 2012, I teamed up with Zac Altman to explore building a solution to increase transparency, accessibility, and data accuracy of airport lounges. Three years from now, we'll have redefined when/why passengers use airport lounges."

TYLER DIKMAN, CO-FOUNDER, LOUNGEBUDDY (SPEAKING TO TNOOZ, SEPT 2013)

2.2.ii SURPRISE ME!

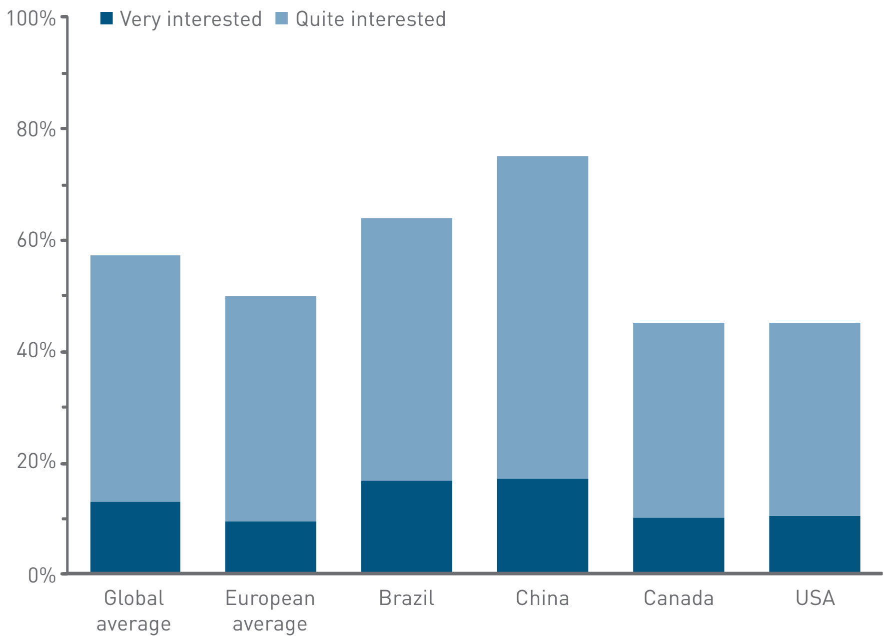
One of the strongest aspects of adventure is the sense of serendipity that comes with exploration and discovery – but unfortunately, surprise is the first casualty in the control-adventure all too often. Because of this, it's also the highest-risk ingredient in any recipe for adventure. Not only can any surprise go functionally wrong, but it can also totally miss the mark and be at best unremarkable, at worst catastrophic, or simply disappointing.

But this is precisely what makes the surprise factor all the more effective in a travel context. As technology improves, consumers are finding clever ways to embed controlled surprise into their journeys, or to find services that will do it for them.

If **Last-Minute Living** described the consumer's new willingness to make impulse decisions whilst either on the way there or in-destination, **Surprise Me!** describes how this new willingness affects the planning stage. The trend ultimately describes the consumer's newfound openness to suggestion driven by a heightened appetite for novelty as well as simply a global relaxation in planning rigidity – and also new expectations driven by increasingly intelligent technologies.

Because for all of their independent research and price comparison, consumers are still hoping to stumble upon the perfect suggestion – which crucially provides a core element of originality. We see rising interest for suggestions that are specifically outside of what consumers would normally consider:

"How interested would you be in any of the following services? A service/device that detected your location and suggested interesting things to spontaneously see and do in the nearby area" | % who are interested | 2015



REGIONAL DIFFERENTIATION

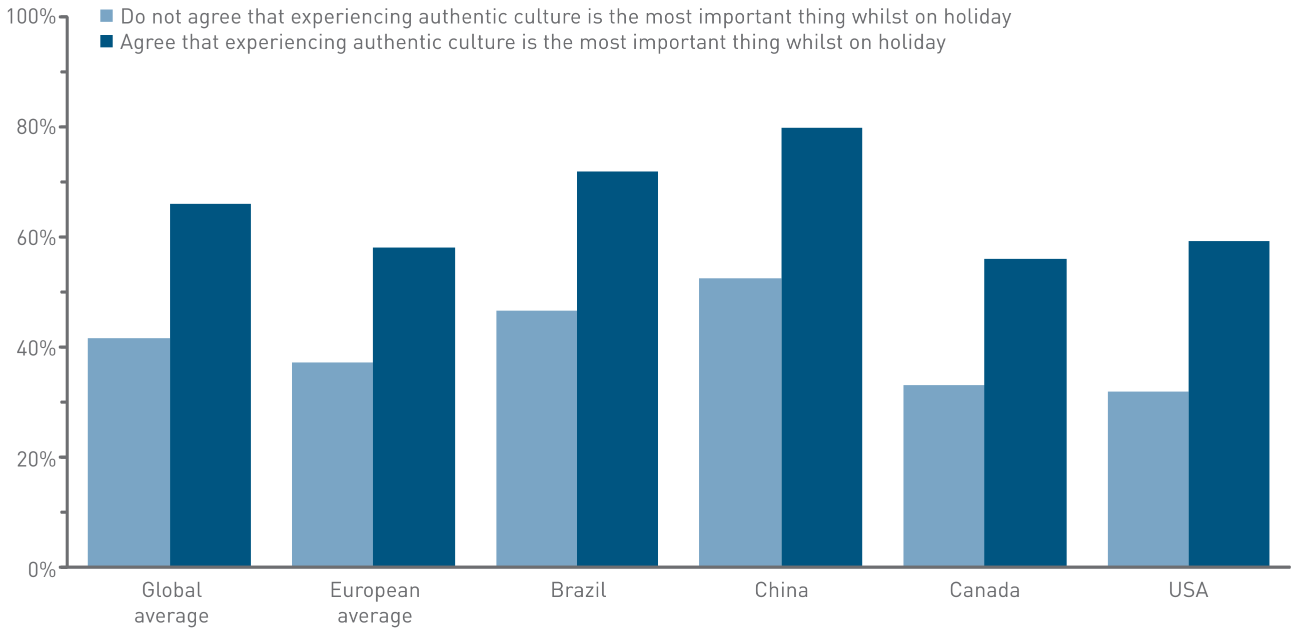
China shows the highest level of interest here, consistent to qualitatively confirmed accounts of their relative openness to accept suggestion from those they perceive to have more authoritative knowledge – this is impacted by a high volume of people who have concrete plans to travel but have less experience doing so.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Again, we see a correlation between higher levels of interest in such services and heavy smartphone use – with a similar increase of 15 percentage points in the global average.

But we also see that those who strongly prioritise authenticity are also far more likely to agree to this kind of external suggestion. For them, there is a level of the unknown and the unfamiliar which may add a sense of authenticity – the feeling that there must be facets to travel and adventure out there which cannot be teased out by research and planning, and instead must be suggested.

"How interested would you be in any of the following services? A service that suggested one new place to visit in my nearby area each week, which I would not normally consider" | % who are interested | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Of course, whilst this sounds good in theory, these are still the same risk-conscious consumers as before. Crucially, the consumer of course has to like the suggestion which is being put to them – and when they agree to interest in something they "would not normally consider", they are almost certainly thinking of things they wouldn't normally consider due to lack of exposure, rather than things they wouldn't normally consider due to a preexisting dislike.

On top of this, human experts are still the most obvious source for that level of intelligent suggestion – but often come from far too likely a place (such as from travel agents or tourist boards) to feel truly surprising.

This is where data analytics work in the consumer's favour. As with any surprise planned by human beings for each other, knowing the person that the surprise is intended for is a huge help; apps in particular are rising to the challenge of replicating this. Qualitative research reveals that consumers are aware of this – and have a largely positive opinion towards these options across the board:

"With the world opening up the way it is with technology and the internet, these trends will definitely grow in the coming years. Technology will get even better in determining exactly what people want."

TRAVEL AGENT, CANADA

"Apps are too complicated to me and I don't need surprises on my trips. But I don't mind young people using them as tools, as long as they can come back to me telling me what they learnt in plain Chinese."

FEMALE, 73, SHANGHAI

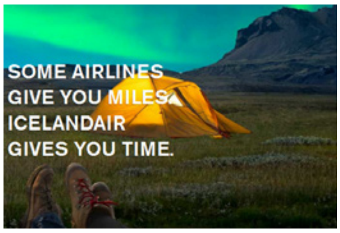
"[There is a] strong presence of netizen travellers [in China] who are the beneficiaries of the future of spontaneity, improvisation and surprise in travel. ... I predict a more personalised travel experience for the future!"

XIAOLEI, SHANGHAI

"I put in a $400 limit [in a data-driven service] and ended up in Moscow. It was pretty cool. I really like that technology is making it possible to travel to places you never even would have considered."

FEMALE, 26, USA

CASE STUDY: ICELANDAIR #MyStopOver



Icelandair is the main airline in Iceland, operating in both sides of the Atlantic. Since 1960, they have allowed passengers to stopover for up to 7 days completely free, when travelling between America or Canada and Europe.

To revitalise their offer, they launched #MyStopOver, encouraging travellers to visit the island during their stopover and share images and posts with the hashtag online.

They wanted to show people the wonders which Iceland had to offer, and make people change their mind about stopovers, turning them into a holiday, instead of a hassle.

The campaign now includes a free tour guide for your time in Iceland, with all tour guides being members of Icelandair staff, able to share local knowledge with visitors.

NOTEWORTHY STRATEGY?

As part of the promotion Icelandair surprised a lucky traveller with an unplanned 2 day stopover in Iceland.

The unexpected trip was centred on the winner's individual personal interests all of which had been gained from their social media profiles. As her interests include photography and food, the tour of Iceland was tailored to suit this, allowing the individual to discover all the things in Iceland which interested them.

By using a social media profile to build an itinerary, Icelandair were guaranteed to find activities which suited the traveller.

The company released a short video of the surprised traveller being welcomed by a host of local Icelanders, and whisked off to enjoy what Iceland has to offer her.

"Things like this don't just happen to people! ... I felt like I was at the set of a movie. You get so caught up with life, and you think life is too busy to make time for things, like music. Iceland has inspired me."

LIZI, WINNER OF ICELANDAIR SURPRISE STOPOVER, SPEAKING TO ICELANDAIR, OCT 2105

"This experience in Iceland has changed me, and reminded me of what's important. Which is being open, and enjoying opportunities as they are presented to you."

KAT, WINNER OF ICELANDAIR SURPRISE STOPOVER, SPEAKING TO ICELANDAIR, OCT 2015

Good services that are driving the rising appetite for suggestion are able to provide facsimiles of "safe" surprise by mining users' social media profiles for their likes and dislikes. Whilst they are in their earliest stages, with technological limitations making them unlikely to be truly effective for the mass markets in the short-term, these efforts are still being made – showing that the surest way to successful surprise is to preemptively exclude known factors for disappointment.

And of course, much of the discovery-oriented surprise factor can be combined with the consumer's **Last Minute Living** tendency to cancel, rebook, replace or otherwise make new plans that feel spontaneous. Given how much feelings of spontaneity and surprise go hand in hand, we see demand for surprise suggestions that integrate in-destination bookings increasing over time.

IMPLICATIONS: INSPIRATION & DISCOVERY

Social media is an excellent avenue via which to present new suggestions to consumers - rather than advertising, which may carry the same surprise-negating effect as travel agents who are perceived to have an underlying agenda.

Suggestions made within the would-be traveller's native channels are also able to access the interests that they themselves have declared – but also may give consumers a sense that these suggests are specifically directed at them, rather than to the four winds mass markets as advertisements are.

IMPLICATIONS: BOOKING & PLANNING

Organisations looking to tap into the appetite for surprise could build platforms which explicitly claim to offer new suggestions, as this has proven popular – such as with services like **Kayak**, the popular American trip-planning service that selects trips for consumers based on their entering partial parameters of price range, weather preference and time of year. Putting surprise in its explicit terms has not appeared to diminish consumer curiosity, or the surprise's efficacy; meanwhile, it often allows consumers to approach surprise with a level of partial control, maximising relevance.

Meanwhile, innovations in how booking is carried out could be experimented with. Whilst subscription-type travel, for example (see **Trveler** below) is unlikely to suit many long-haul travellers, the core of the idea behind reinventing bookings is surprising in itself. This could constitute finding novel ways to allow consumers to book packages, or putting at least partial discovery after booking.

CASE STUDY: TRVELER

Trveler is a subscription-based travel planning service in the US that builds in an element of surprise by only allowing users to choose travel dates rather than destinations. Users are given up to six trips a year to surprise destinations that are only revealed two weeks before departure; however, the service ensures positive travel experiences by allowing users to declare generalised travel preferences (i.e. city trips or nature holidays, relaxation or exploration) up front.

Meanwhile, all hotels and flights are booked in with the cost, making it a completely hassle-free experience without hidden strings – the subscription fee is the only money transaction between consumer and brand. In addition, travellers are able to take a flexible add-on person with one of the package options; the co-founders state that they eventually plan to move towards expanding this flexibility to groups of friends who can subscribe, potentially hailing from different parts of the country but meeting at the destination.

Whilst subscription-type travel is unlikely to suit many long-haul travellers, the core of the idea behind reinventing bookings is surprising in itself. This could constitute finding novel ways to allow consumers to book packages, or putting at least partial discovery after booking.

NOTEWORTHY STRATEGY?

Despite the complexity of the operation, Trveler has differentiated itself from other services with a distinctly hands-on, human approach – they negotiate with suppliers, they sense-check destinations. The resulting sense of human authenticity is clear.

In order to capitalise off of this type of budding service – which has exploded in popularity – industry organisations who may be used to dealing exclusively with institutions only ought to be open to business deals coming from smaller places.

"We're trying to send (subscribers) as far away as possible from their destination that still fits within our business model. So we're never going to send someone from Orlando to Miami or from San Diego to LA. We adhere to at least two or three states away – at least two I think is a minimum."

PABLO CHAVEZ, CO-FOUNDER,
SPEAKING TO TRAVELPULSE, NOV 2015

"I think we've added new airports every single week where we accept travellers from. If we get someone who signs up from an airport we don't support, we go and do some digging and see if we can make it work. And we've been able to do that for everyone so far."

GEORGE HASKELL, CO-FOUNDER,
SPEAKING TO TRAVELPULSE, NOV 2015

2.3 THE END OF ADVENTURE? RECOMMENDATIONS FOR TOURIST BOARDS

PROVIDING CONSUMERS WITH CONTROL

NTOs must work harder to counteract the increasing ability of potential travellers to find negatives about any particular destination that can lead to decisions to resort to safety-first alternatives. Doing this will hinge on the provision of pre-travel information that is creative, engaging, novel and transparent.

More specifically we recommend that:

1) NTOs should adopt **live streaming apps** as a transparent and engaging way to give a direct online view of the reality of current conditions within a travel market:

   a. The potential of live-streaming apps such as Meerkat and Periscope to give those considering visiting a country or city a direct window into what is happening in the market should be explored. The images could come direct from NTO staff, or perhaps even better, from local citizens recruited to give potential tourists a "real view" of their city or country.

   b. An example of such an approach is Turkish start-up **Lopeca**[1]. Launched in early 2015 this is an online service which lets users "discover places live from local people's camera".

2) Many destinations and attractions are already developing their own **augmented reality (AR)** overlay applications to add a rich informative layer to allow travellers to better understand what they are looking at but there also exists an opportunity for NTOs to present their information to visitors via this newly emerging vehicle, in many ways, including:

   a. NTOs should use AR wherever relevant to enhance consumer and visitor experiences, for example, in making bookings, and in destinations, hotels, attractions or restaurants. By adding a rich layer of information on top of the sights that someone is experiencing first-hand, AR enables those who want to dig deeper to do so.

   b. Already, we are seeing some very nice innovations that bring AR into the travel space and offer travellers the ability to overlay detailed information over the sights they are seeing with their own eyes. The Berlin Time Traveller app is a nice example. Using Augmented Reality, smartphone and tablet owners can view historical content about the Berlin Wall, in and near the locations where it used to stand.

   c. But AR is not merely about adding information. NTOs should adopt AR-based solutions that are focused on enabling visitors to relive historic life and events in their cities.

   d. NTOs should also be looking to offer visitors responsive experiences through gaming.

   e. The **Timewarp AR**[2] outdoor game, developed by researchers at the Applied Information Technology Institute, allows tourists to walk around the city of Cologne in Germany, "jumping" through time portals and experiencing different historic and future events.

   f. AR can play a significant role in streamlining some of the difficult or complex processes that are involved in visiting a strange country for the first time. NTOs should work together with city and transportation authorities to implement AR-based solutions to help with transportation, accessibility and translation.

3) With 2016 set to see the emergence of **virtual reality (VR)** as a mainstream consumer platform[3], NTOs must leverage this technology as a way of giving consumers a more immersive and engaging pre-experience of destinations and attractions. As VR becomes more and more commonplace, over the coming decade[4], consumers will quickly come to regard flat, two-dimensional or static imagery as out-of-date and they will cease to be excited or influenced by it:

   a. Travel agencies such as the UK's Thomas Cook are already trialling VR as a customer immersion technology (in their concept store in the **Bluewater**[5] shopping centre), while the Marriott hotel chain is leading the way in the trialling of multiple uses of VR including immersion "teleporter" booths in city centre locations and in-room technology offering VR postcards

1. Lopeca. http://www.lopeca.com/

2. Braun et al., TimeWarp: Interactive Time Travel with a Mobile Mixed Reality Game. Fraunhofer Institute for Applied information Technology FIT. 2008.

3. British Broadcasting Corporation. http://www.bbc.co.uk/news/technology-35205783

4. Tech Times. http://www.techtimes.com/articles/113945/20151208/vr-market-forecast-to-top-70b-by-2020-trendforce.htm

5. Thomas Cook. https://www.thomascook.com/press-centre/thomas-cook-brings-holiday-experience-to-high-st-industry-first-virtual-reality-trial/

4) NTOs should investigate the use of **drones** as a modern, innovative and novel marketing outreach tool:

   a. For example, archive drone footage available on both social networking sites and NTOs own sites can offer those around the world considering European destinations a unique and authentic perspective on locations and attractions, allaying pre-booking fears and removing a barrier to booking trips to European countries.

   b. A further development of drone technology will be to allow so-called first person drone interaction where individuals from around the world can take control of drones in European destinations.

   c. We are already seeing the emergence of commercial operations in this space such as www.travelbydrone.com and www.dronecast.fr and independent observers such as New Scientist are already suggesting that such services could offer a unique world view to those challenged by mobility, disability or financial barriers to travelling, and could therefore represent some kind of long-term threat to the travel and tourism industry.

ENABLING CONSUMERS TO FIND SURPRISES IN A MORE CONTROLLED WORLD

The history of marketing has shown a progression over the years from simplistic mass approaches to the targeting of products to specific sub-segments of consumers with distinct tastes and preferences. Much of the ongoing debate within the marketing industry centres around the recognition that such approaches are becoming increasingly outdated, with consumers increasingly expecting more individually tailored, or personalised products and services.

The short- to medium-term future of marketing will centre on the usage of predictive analytics and algorithms to identify uniquely targeted product and services offerings based on access to permission-based data streams. In other words, consumers will become increasingly aware of the ability of service providers to speak to them as an individual rather than a mass market or even a segment, and will recognise that it is in their own interests to provide access to their data. While there is much acceptance of this phenomenon in the marketing press and, no doubt, it no longer sounds new and innovative, the truth is that very few are, as yet, doing this particularly well. The short-term future is about this practice becoming more and more commonplace and being done to higher and higher standards. One interesting example of it being done to higher standards is for the recommendations that such algorithms produce to become so sophisticated and subtle that they appear to the consumers as if they are outside of their existing comfort zone.

Longer-term we expect to see the emergence of ever more sophisticated technologies, based around biometric monitoring (e.g. of heartbeat and vital signs by wearables), that will enable marketers to go one step further, recognising not just the preferences of an individual, but the likely preferences of the individual at one precise point in time.

Based on this likely evolution, we recommend that, in the short-term, NTOs:

1) **Incentivise consumers** to share their personal data with them. This may take the form of opening up social media streams, or leveraging frequent flyer/guest or supermarket rewards programmes in order to understand as much as possible about their preferences.

2) Alternatively, NTOs should investigate possible **partnerships with data providers**.

3) NTOs should make it routine to ask visitors to their websites for **permission to access** Twitter, Facebook, and other social networks. It is more than likely that NTOs will have to work hard to secure these permissions – giving consumers as much information as possible about what such data will be used for, reassurances about data protection practices and promises that the data will not be sold on or transferred.

4) Of course getting the consumer data is just the beginning. Turning that data into personalisation of services will require a significant investment in data science. NTOs will need to bring data science expertise in-house or be prepared to outsource it. Algorithm-driven personalisation based on deep knowledge of consumer preferences and previous habits, will form the basis of much of the brand-consumer dialogue of the next decade.

5) The personalisation of some parts of the marketing cycle is already being done, up to a certain level – direct mail campaigns, email marketing and SMS/text-messaging marketing for example – and by NTOs too, no doubt. But, we believe that what is being done so far represents merely the first, somewhat tentative steps, in what will very quickly become a far more sophisticated practice than we currently see. Even NTOs who are currently active in this respect, therefore, need to recognise that there will be a need for constant innovation of personalisation tactics over the coming decade. There is no time for self-congratulation. The onus is on NTOs to continue and expand on any investments that they have already made.

6) Similarly, we expect a growth in terms of how and where personalisation will be used. Thus far, it has tended to be used as a targeting mechanism – getting messages in front of consumers that analysis informs you are statistically more likely to appreciate and react positively to those messages. But, going forwards, it is very clear that all parts of the product and marketing mix will be subject to personalisation. The travel industry is already used to the idea of personalised (or at least variable pricing) with the prices of flights, cruises and hotel rooms all being dependent on when and by whom they are booked. We fully expect this trend to continue and for the prices that guests or visitors pay being subject to variation based on a wide array of potential input variables – the traveller's service history, their willingness to open up their social media datastream to observers, their willingness to post positive social media commentary of their trip, etc. We recommend that NTOs begin to model the efficacy of such solutions right now, looking to partner with the likes of Google, Twitter, Facebook (and in-market equivalents).

And that, longer-term, NTOs:

7) Be open to the world of **biometrics**. This is still some way off but already interesting mood-based marketing programmes exist, at least in beta-test form. One example is **Biobeats**[6] which enables music to be tailored to the mood and emotional state of the audience or listener. While such technologies are yet to hit the mainstream, or be adopted in the travel sector, we strongly believe that, over the course of the coming decade and beyond, they will be.

1. BioBeats. http://biobeats.com/

3. CONSTRUCTIVE TOURISM

Given the tightly-laced control we see consumers taking on over their lives – even when on holiday – how will they balance this to avoid leisure-less lives? Are there still avenues for enjoyment, if hedonistic behaviour is no longer in vogue?

We look to see how new trends are emerging around self-improvement as a response – stemming from both a negative perception of self-fulfilment that seems to have taken over consumers around the world, but also a resounding attitude which increasingly codes constructive behaviours as genuine enjoyment. We assess five trends spread across those two areas with knock-on impact for leisure and travel:

3.1 **The Leisure Upgrade**, which explains how consumers are beginning to imbue their downtime with constructive activity and meaning – both to upgrade the leisure activity itself, as well as the person undertaking it:

3.1.i **Cult of Creativity**, which explores how attitudes towards creativity are becoming increasingly positive – as well as how behaviours are beginning to follow, with the so-called "democratisation" of creative hobbies such as photography and cooking.

3.1.ii **Liquid Skills**, which explores budding attitudes that have emerged from the 21st century workforce around constantly upskilling, acquiring new knowledge, and simply the idea that being able to learn itself is a skill that ought to be nurtured.

3.1.iii **Dark Tourism**, which explores the next level to authenticity-seeking – where consumers, particularly from the USA and Canada, are beginning to seek more well-rounded views of the places they travel.

3.2 **World Wide Wellness**, which explores how the concept of "wellbeing" has sprung into mainstream consciousness in the last few years – as well as how this will only continue. We explore new views of wellness that see mental and emotional wellbeing as inseparable from physical, but which are still complicated by global pressures towards appearance and beauty – and which all are housed under the same ultimate need for self-improvement:

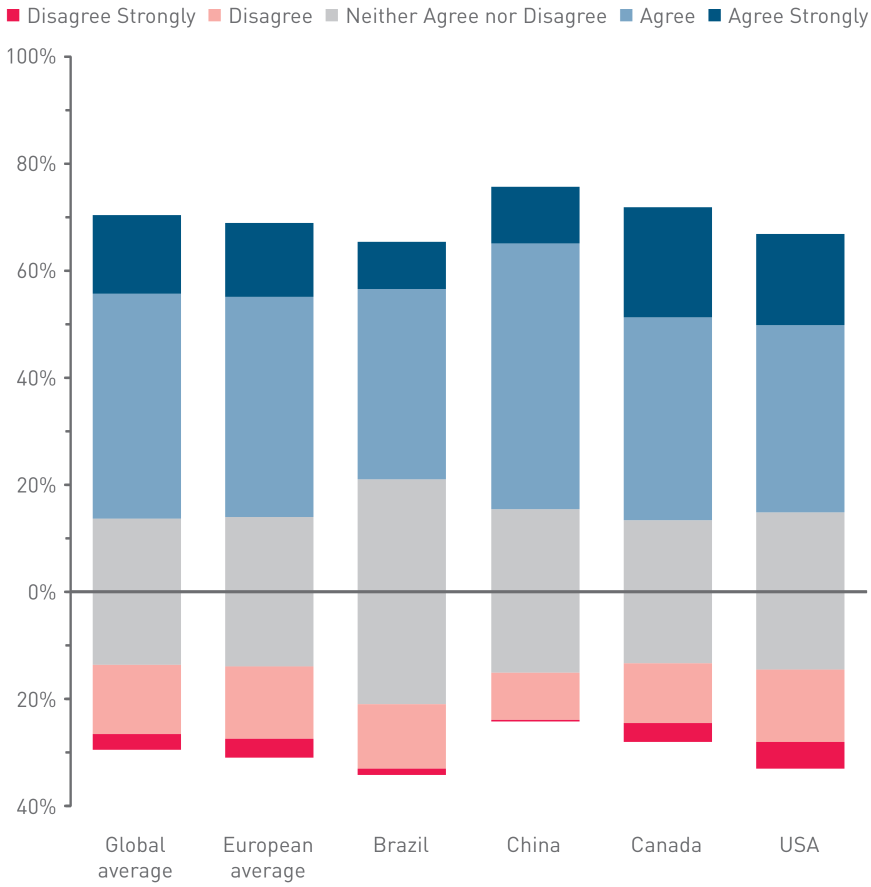
3.2.i **The Everyday Athlete**, which looks at the growth of athleticism into a mainstream aspiration, rather than a niche hobby – and what consumers are doing to pursue it.

3.2.ii **Great Minds**, which shows how the global interest in mindfulness has spread to a resounding mentality that seeks to improve mental balance – often for holistic health, but also for improved efficiency or better emotional management as well.

3.1 THE LEISURE UPGRADE

Optimisation and control have made their way into the world of leisure beyond the planning stage and into leisure pursuits themselves – and particularly with the integration of self-improvement into entertainment. Whilst traditionally these factors may have been at odds, today they increasingly go hand-in-hand.

"How strongly do you agree or disagree with the following statements? I do not feel as though I am reaching my full potential in life" | 2015



REGIONAL DIFFERENTIATION

Similar proportions feel a sense of unfulfilled potential around the global, averaging around or just above half.

Canada and USA reflect the most heavily polarised reactions to this statement – particularly the USA, where 5% strongly disagree. This is significantly different to China and Brazil, where this proportion is 1%.

Age makes a far less significant difference than region; on global average, majorities express agreement up until the age of 55. Only in the 55-64 age group do we see this sentiment tail off to 45%.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Underlying this may be the widespread sense of discontent or lack of fulfillment; looking across the globe, we see that just over 1 in 2 agree or agree strongly that they do not feel as though they are "reaching full potential in life". It is a very small proportion that actively disagree to this statement, averaging less than 1 in 5. And whilst this is certainly an expression of cultural aspiration, rather than widespread individual pain and true discontent, it is striking that a negative statement reflects such strong agreement nonetheless.

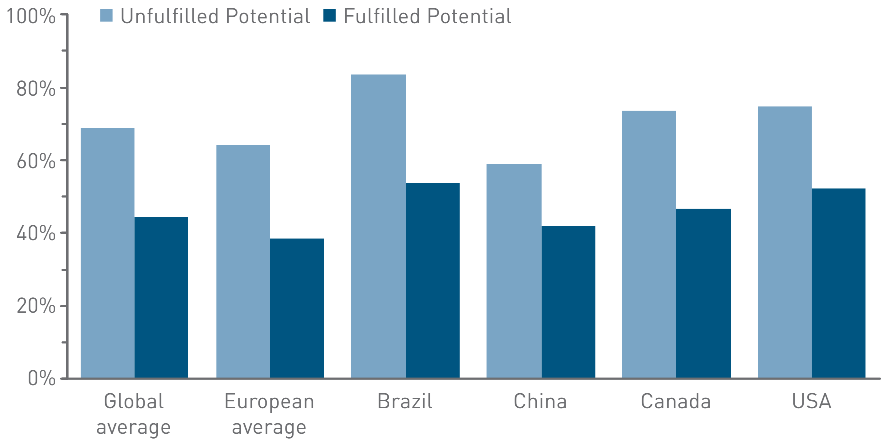
"I've never taken a trip that involves self-improvement, but I probably should."

FEMALE, 26, USA

On top of this, we find that typical demographic indicators do not reflect as strong a difference as could be expected. There is certainly an age-related factor at play: unsurprisingly, younger consumers are more likely to agree, with 63% of Millennials either agreeing or strongly agreeing. However, it is still a majority that agree amongst Gen X, with 55% agreeing – and whilst it is a minority of 45% Baby-boomers who do the same, we see that the majority of those who disagree are aged 55+.

This attitude is far from dormant, however. We find that it manifests in goals and behaviours across the board; and broadly, we see that agreement to this statement is strongly correlated to the statement on control seen in the previous section1 – showing that the link between wanting to constantly appear in control is certainly related in some way to this widespread lack of fulfilment.

"How strongly do you agree with the following statements? I try to appear in control of my life at all times" | % who agree strongly or agree | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

REGIONAL DIFFERENTIATION

It's unsurprising that those who feel as though they're not fulfilling their full potential are far more likely to be control-conscious. Globally, this represents a 15 percentage point discrepancy.

Brazil is particularly notable – given that there is a lower proportion of those who feel unfulfilled overall, it is particularly significant that 83% of the unfulfilled group try to appear in control of their lives at all times.

The Leisure Upgrade describes how this mentality will affect future leisure demands. We anticipate that the travel industry will be strongly affected by the consumer need for self-improvement and further life fulfilment – a link which is already exposed today when we examine those who have future travel plans.

"More people travel with other purposes than just a holiday, such as shopping, health and medical reasons, sports and activities, education or life events such as weddings and anniversary ceremonies. ... International travel has becoming part of Chinese life and the way in which they travel has changed over time: from just coming out to see the world [before] to travel with more purpose [today]."

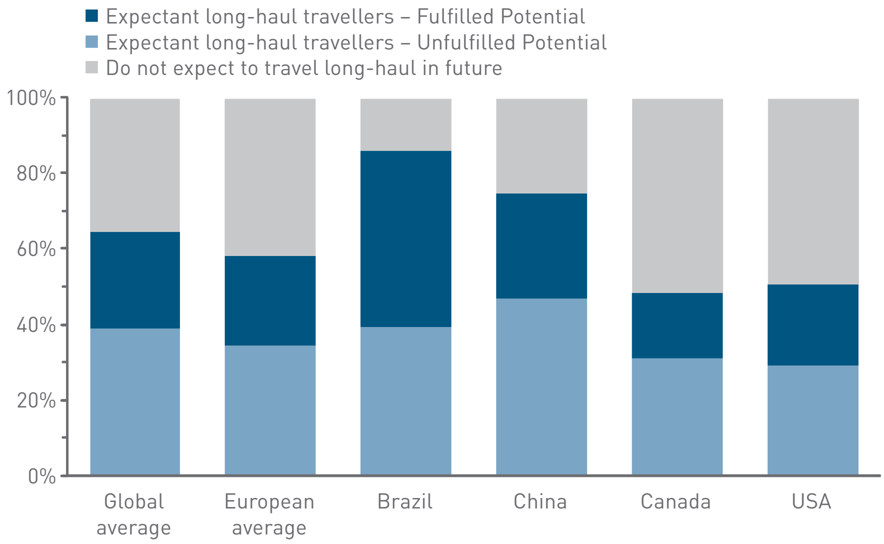
XIAOLEI, SHANGHAI

"More people are travelling and trying new things instead of just 'relaxing' on vacation."

SAHRISH, TORONTO

An average of 2 in 3 globally who expect to take a long-haul 'dream' holiday or world trip in future – rising as high as 86% in Brazil and 75% in China, and as low as 50% in Canada and the USA. Amongst these, we see that the proportion of those who feel lack of fulfilment of their potential grows slightly. This shows that future travellers – rather than being a population of those who are confident in how much they are making out of life – are actually more susceptible to fulfillment insecurity.

Do you expect to do any of the following in the future, either for the first time or again? Take a long-haul 'dream' holiday or world/multi-destination trip % of those who say "yes" who feel unfulfilled and fulfilled | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

REGIONAL DIFFERENTIATION

Within this group of expectant long-haul travellers, we can see that the majority do not feel as though they are filling their full potential in life. The proportion who feel unfulfilled is slightly higher amongst those who plan to travel than it is amongst those who do not – this is reflected consistently across all markets.

This indicates that those who travel are at least as likely – if not slightly more – to be open to combining self-improvement and travel.

More, we see that those who do not feel they are reaching their full potential genuinely value self-improvement activities as genuine entertainment; this is the core of **The Leisure Upgrade**.

"[Millennials] love to travel, but not just for leisure. They prioritize adventure, learning about the world and discovering new places."

SAHRISH, TORONTO

"I think the new vacations now are centred around something that you love/a passion in your life that you may not have time to cultivate every day in your existence and plan a vacation to cultivate that passion. People love wine and they don't get to learn everything about wine so they take a trip to wine country, tour the countryside and learn from winemakers. They love art but they don't have time to immerse themselves in the art of their most favourite genre so they plan a trip around the best museums of the genre and may even book tours or their own art lessons. They love to cook, but they don't have time to take courses and find out new techniques and broaden their culinary prowess. So they plan a vacation to take cooking lessons for two weeks travelling to different regions in France or Italy."

FEMALE, 64, USA

Interestingly, the unfulfilled group are more likely to rate all activities as higher in value on the 1-10 scale than their more fulfilled counterparts – however, the relative ranking of most valued entertainment activities within each group does shift as well:

GLOBAL TOP 10 EXTREMELY VALUED ENTERTAINMENT ACTIVITIES
"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable)" | % of global average who rank each 10, ordered from highest % to lowest | 2015

FEEL THEY ARE REACHING THEIR FULL POTENTIAL	DO NOT FEEL THEY ARE REACHING THEIR FULL POTENTIAL
1. Just relaxing	1. Just relaxing
2. Reading for pleasure	**2. Travelling to countries I have never been to before**
3. Socialising face to face	3. Reading for pleasure
4. Travelling to countries I have never been to before	4. Socialising face to face
5. Keeping up with news and current affairs	5. Keeping up with news and current affairs
6. Participating in sport or going to the gym	**6. Learning a new skill/activity**
7. Learning a new skill/activity	7. Socialising chatting with friends and family using instant messaging
8. Socialising/chatting with friends and family using instant messaging	8. Participating in sport or going to the gym
9. Entertaining at home/cooking (not everyday cooking)	9. Entertaining at home/cooking (not everyday cooking)
10. Watching TV	**10. Making art/photography/crafts/music**

Source: nVision Research | Base: All smartphone owners among 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2014 February

Learning a new skill/activity rises one place – it rises above sport and exercise, despite the unfulfilled group having a slightly younger demographic skew – and making art of any kind rises into the Top 10 for this group, having not made the cut for those who are secure in their life fulfilment.

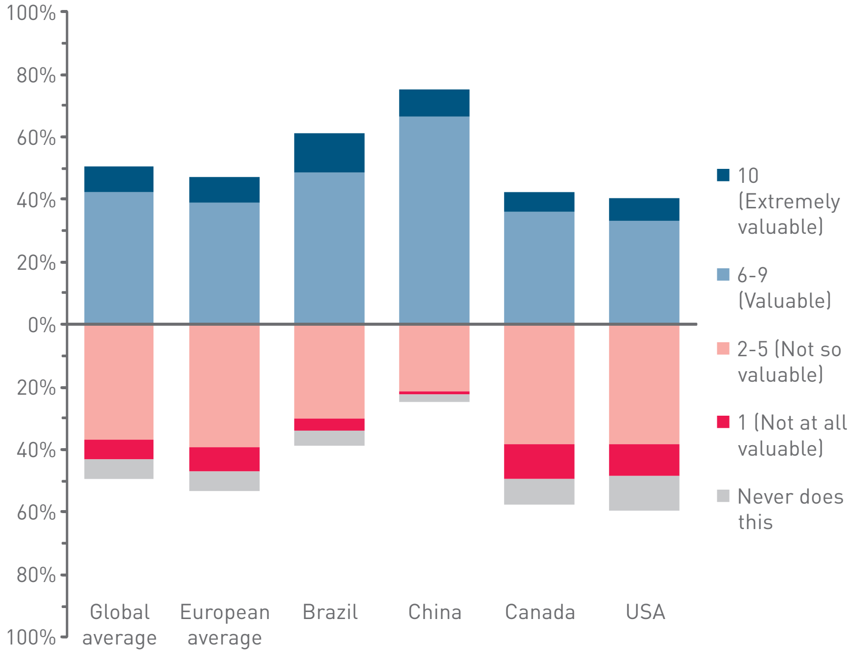
And of course, travelling to new countries makes the biggest jump up the tables – rising from the fourth most-valued entertainment activity to the second. As we have seen in **The End of Adventure**, travel to new countries is strongly associated with meaning and authenticity; this group of self-improvers will see travel as a world-expanding, even self-challenging opportunity.

In the following sections, we explore further how **The Leisure Upgrade** is manifesting in these areas of creative pursuit, upskilling, and the ongoing search for meaningful experience – particularly in travel, and all driven by an underlying drive for constant self improvement.

3.1.i CULT OF CREATIVITY

This trend briefly explores the prevalence of creative pursuit – much of it driven by the democratisation of art-based leisure pursuits such as photography. Here, we seek to tie the link between those who travel and those who enjoy creative arts – or at least those who aspire to integrating creativity into their arsenal of hobbies.

"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable): Making art/photography/crafts/music" | % who rank it at each 1-10 value, 2015



REGIONAL DIFFERENTIATION

Creative hobbies are popular worldwide; very few have never pursued this as entertainment.

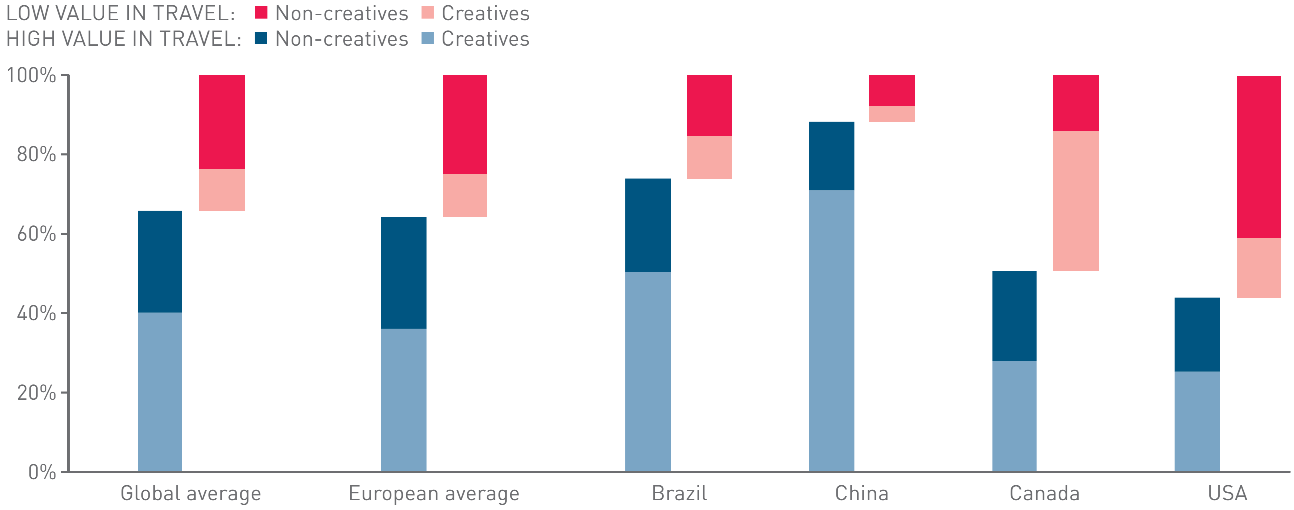
Their value is felt particularly strongly in Brazil and China in comparison to Canada, the USA and Europe. This may speak to how creative pursuits are quickly becoming high- social currency activities in markets that are seeing significant middle class expansion; however, it could also simply be due to cultural differences in widespread prevalence of artistic pursuit in people's everyday lives.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Across the board, around half of respondents rate creative leisure pursuits as 6-10. There are some differences between markets, but largely, it is certainly a popular hobby.

Tying it to travel, however, reveals interesting differences; amongst those who highly value travel as entertainment, there is clearly a higher proportion of those who highly rate creative pursuit. Although there are higher volumes of those who rate travel highly in China and Brazil compared to Canada and the USA, we can see that the same pattern arises between high travel-valuers and low travel-valuers: those who value travel highly are much more likely to rate creative arts highly, whilst those who value travel lower are much more likely to rate creative arts lower.

"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable): Making art/photography/crafts/music" % who rate this 6-10 (Creatives) and less (Non-Creatives) | Amongst those who rate travelling to new countries 6-10 (High value in travel) and less (Low value in travel) | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

CASE STUDY: VAWAA | Vacation with an Artist

Vawaa is a network of artists around the world who offer travellers multi-day all-inclusive studio experiences by inviting them into their own homes and studios.

Rather than simply being art lessons abroad, the listed artists promise an entire experience of self-discovery and cultural exchange. All artists share a specific art form which has some manner of origin in their country's culture, such as Marie Stará's dressmaking studio which combines modern designs with Czech folkloric prints. Some of them offer spiritual experiences, such as Alper Ackay's "Anatolian Sacred Movements and Healing" in Istanbul (pictured above) – an invitation to learn contemporary interpretative dance that is rooted in old Turkish ritual.

NOTEWORTHY STRATEGY?

The founder, Geetika Agrawl has personally hand selected each artist which travellers can visit. This has meant that the quality of each individual's experience, when learning a new art form, is kept at a high level. VAWAA communicate information about each individual taking the course, so both sides can receive the maximum benefit from the time spent together, with each group being tailored towards specific levels of creativity, skill and knowledge and including no more than 3 people at a time.

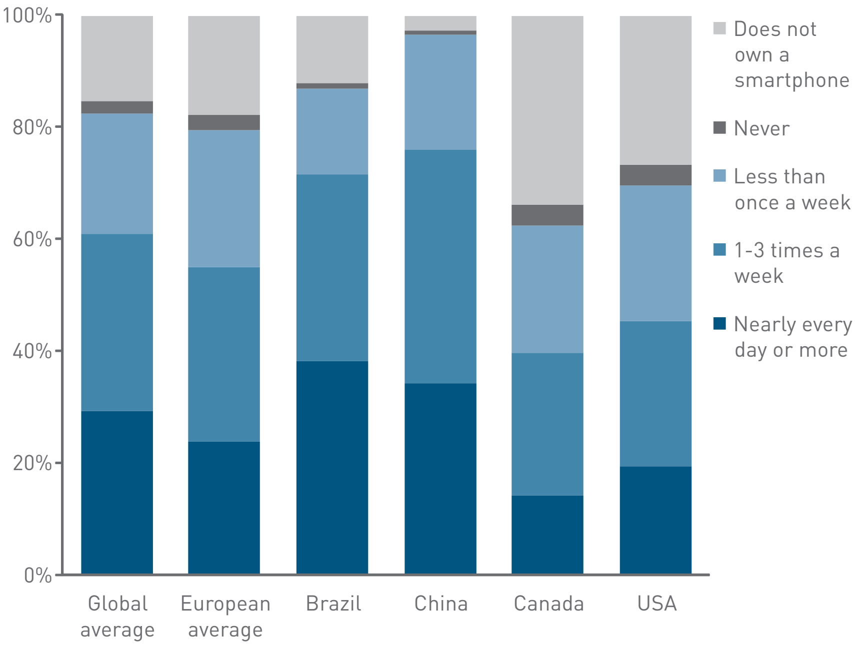
This small, personal experience is what makes VAWAA stand out to tourists craving artistic experiences.

"I am a designer and an avid traveller. During my travels, I like to immerse myself into the local culture, make things with my hands, and get inspired by learning something new. I noted that there were others like me expecting the same from their travels, but there was no easy way to find local artists and designers in cities they would visit. Thus the idea of 'Vacation With An Artist' was born."

GEETIKA AGRAWAL, FOUNDER, VAWAA (POSTING ONLINE, 2015)

But for more intuitive evidence, we need to look no further than perhaps the most common sideline activity in travel: photography. Looking at sheer volume, we see that majorities take photos on a smartphone at frequency:

"How often do you do the following activities on your smartphone, either through a web browser or an app?" | Take photos | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

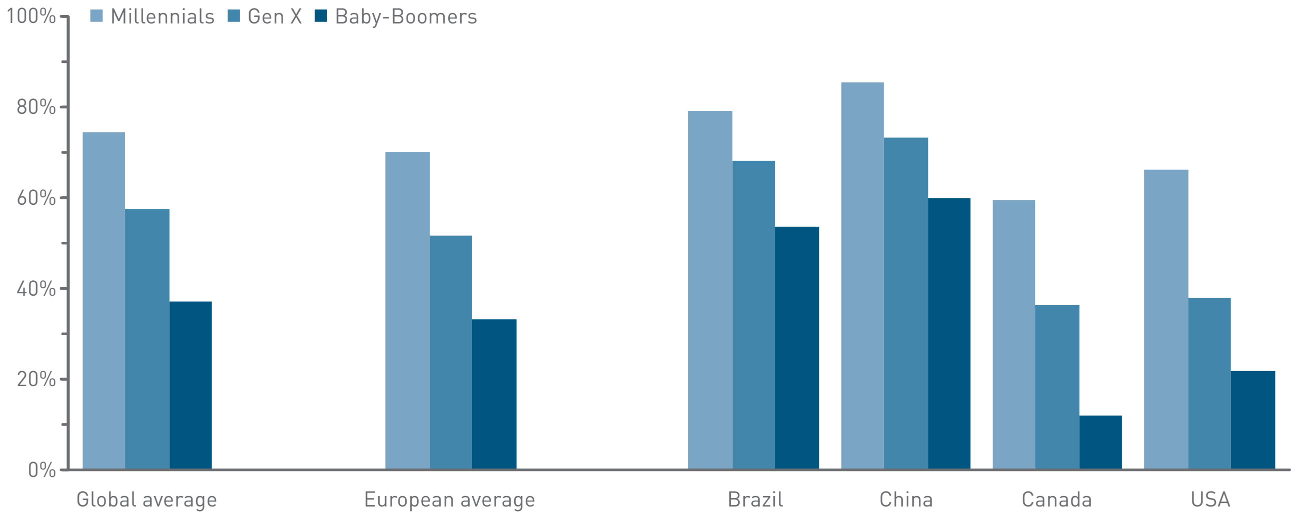
If one owns a smartphone, they almost certainly use it as a camera. We see this across the world, with very marginal figures having never done so.

And if one takes photos with a smartphone, they are very likely to do so on a weekly basis or more: it is truly a global habit.

It is unsurprising that China and Brazil see the highest proportion of mobile photographers. Canada shows the lowest uptake – but even then, 2 in 5 take photos at least weekly.

When we look at demographic differences, we see that there is a significant tail-off in the older generation; this is in accordance with smartphone ownership as well as natural differences in habit. Significantly, however, the proportion of millennials who take photos with a smartphone is largely consistent between markets:

"How often do you do the following activities on your smartphone, either through a web browser or an app?" | Take photos | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

The key here, however, is recognising that travel photography is evolving. It's certainly true that part of travel photography comes from the ongoing need to document our lives – particularly significant happenings, such as vacations – but increasingly today, with high-quality cameras now built into every smartphone as standard, we can see that the barrier to entering the world of photography rather than documentation has gotten extremely low. Acknowledging that this self-selecting group of travellers are also more likely to have creative hobbies in the first place, it's most likely fair to say that the constant photo-op-seeking from tourists around the world is not just context-dependent – it is truly a hobby of its own right.

And if we take into account the various tools consumers now have to make their photos even better through editing – or simply to even alter photos with their own creative touch, as with filtering – we see that the sprawling world of Instagram and beyond has truly shaped a market of mainstream amateur photographers.

Particularly for the two markets where smartphone photography is the most habit-native – Brazil and China – it will be increasingly valuable to recognise this as the creative expression it is. The constant photo-taking that tourists so often are ridiculed for ought to be treated as a more serious pursuit, and as a genuine source of enjoyment that can be interacted with.

IMPLICATIONS: IN-DESTINATION

The widespread success of Snapchat's infamous geostamp filters already attest to how location and photo-editing link in a social media context. There could be room to offer photo-obsessed travellers regional filters – perhaps made available via a tourist organisation app – exclusively available to their location, to add an element of individuality and creativity to their experience.

The recent resurgence of poloroid-style photos – those which print instantaneously – could also indicate appetite in this area as well. Of course, versions of this are already common, particularly at tourist hotspots – from rollercoaster drop snaps at theme parks to men with tripods eagerly awaiting subjects around the Eiffel Tower – but currently, they lack a distinct creative flair. Innovation in quality and originality around this area could be extremely popular.

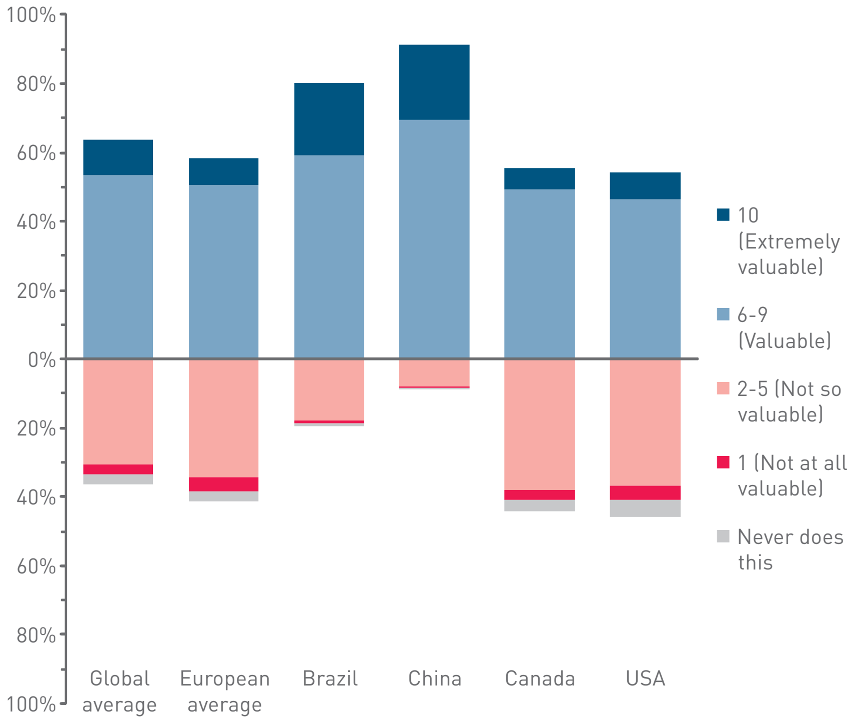
Meanwhile, the underlying theme of self-improvement is still pervasive here. As will be seen in the following section (as well as with the case study above), there are clear opportunities as well to help travellers hone their creative skills whilst travelling.

3.1.ii LIQUID SKILLS

The out-of-home leisure industry has been dominated by consumer enthusiasm for the leisure lesson for some time – from cookery classes to hot yoga, rock-climbing and beyond. This exploding industry appeals to huge swathes of consumers by having the same answer to disparate motivations: true love of learning, the need for new experiences, budding health concerns, pressure in the workforce to upskill, or even wanting to have more interesting hobbies to show off online.

And as we saw previously, "learning a new skill/activity" is an extremely highly-valued pursuit as entertainment – not just for its functional value.

"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable): Learning a new skill/activity" | % who rank it at each 1-10 value, 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

Skills acquisition is valued highly across the world as entertainment – but no where more so than China. Arguably less of a trend than a long-standing staple of Eastern culture, this activity was not rated 1 of 10 by a single respondent; meanwhile, of those who rate it 6 or above, a quarter of them have given it the maximum value score of 10.

And whilst a full quarter of Chinese Millennials are rating this 10 out of 10, 15% of Chinese Baby-boomers are doing the same – which, for perspective, not only surpasses the global average Baby-boomer proportion (8%), but even the global average Millennial proportion (14%) as well.

We see that learning new skills is extremely valuable in Brazil and China in particular. In China, where there is a long-standing culture that prioritises learning as self-development across socio-economic class and age groups, there could potentially be a strong opportunity. Brazillian travellers are also seen through our qualitative research to be extremely maximising – particularly as travel to Europe is so costly – and meanwhile respond very positively to the prospect of leisure learning.

"[Liquid Skills] already exists in many Chinese consumers' weekend activities, especially those people with children. But I think [this] will still increase over the coming 5-10 years."

XIAOLEI, SHANGHAI

"Brazilian travellers themselves have access to a growing number of travel agencies offering their clients the possibility of a vacation time combined with light studies. There's also this school abroad called EF Education First which works as a travel agency and offers art-related courses (painting, photography, fashion and such) in their schools abroad as a way to attract tourists interested in getting more from their vacation time."

TIAGO, SAO PAOLO

"Thousand Lake Island has its natural beauty and no other lake can compare, but I believe the nowadays people wants more than just seeing the lake. We are building a horse racing park to allow people to learn a skill while spending time on the beautiful site... People come with a constructive purpose and go home with a better self."

MALE, 50S, PROJECT DEVELOPER OF THOUSAND LAKE ISLAND, CHINA

"There are many new courses [that interest me] that are designed for teaching skills and provoking the creativity: how to make jewellery, arts/crafts, knitting, etc."

FEMALE, 37, BRAZIL

From the USA and Canada, we see that evolving workplace pressures and requirements could be driving **Liquid Skills** as well. As work-life separation thins in these markets, we see that consumers are eager to pursue career advancement as part of identity fulfillment. From qualitative research, we can see that work is certainly joining many travellers on their holidays from these markets; meanwhile, shifting perceptions of the role of work in identity means that work and play are no longer mutually exclusive.

"Travel has always been seen as an escape from the gruelling American work life and I think this still prevails, but perhaps the growth of the fun work culture changes the way people perceive their time off."

ANNABELLE, NYC

"Those who take work on vacation with them probably travel more because they never really take vacation. Working remotely allows some to travel the world while dialing in every day from their office's 9am-5pm."

KELLY, SAN FRANCISCO

"Travelling for work is still on the rise. Schools travelling on field trips abroad are still relevant. Students studying abroad is also an increasing and popular trend."

TRAVEL AGENT, CANADA

"I love to travel to get away from work, but sometimes, work ends up following me there!"

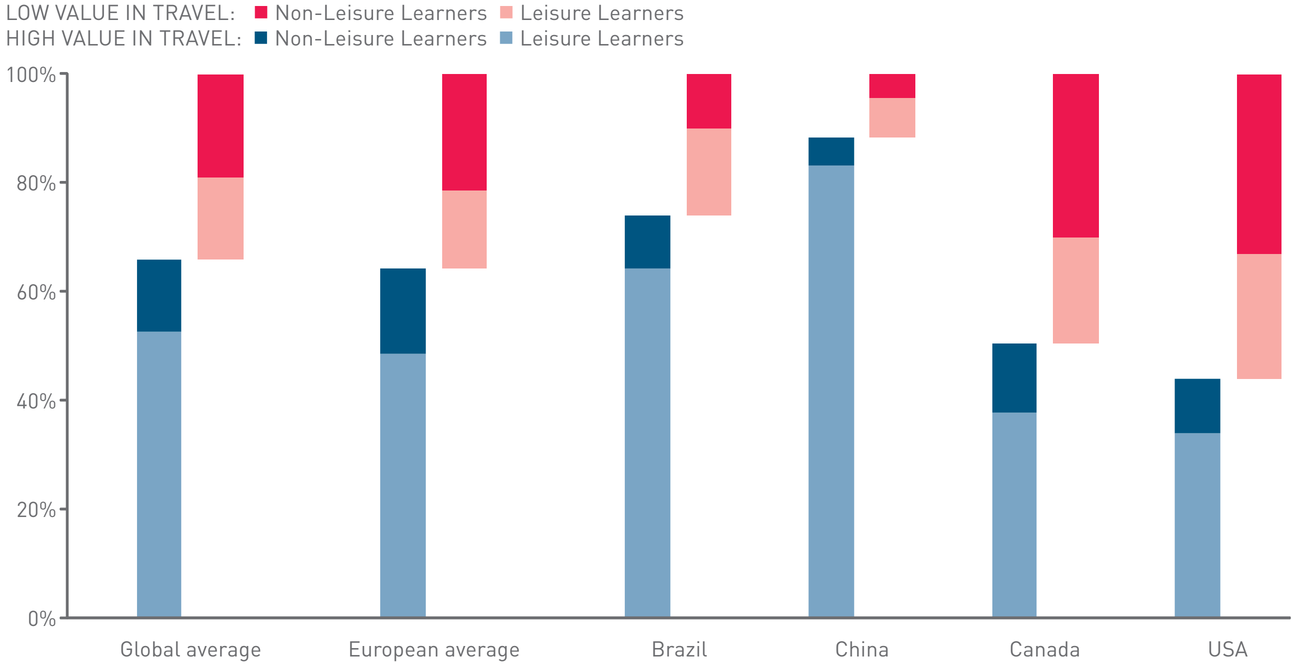
MALE, 45, CANADA

IMPLICATIONS: INSPIRATION & DISCOVERY

Particularly when it comes to marketing campaigns, travel tends to align itself within leisure-relevant spaces to access consumers – or to emphasise leisure and relaxation when it does appear in work-relevant spaces such as on commuter trains. However, increasingly, there may be opportunity to position future campaigns as career-friendly; if currently, sunny beach getaway billboards sit next to local evening course advertisements on the train, there is no reason why a combination of the two couldn't be effective in tapping into this market.

But as with creativity, we see that those who travel are again naturally inclined to rate learning new skills as more important to their entertainment. Here, the proportional differences are even more staggering; with the exception of China, which we already know to be a market which highly values skills acquisition as entertainment, we see extremely strong disparities between those who value travel more and those who value travel less. Particularly in the USA and Canada – the markets that have the most statistically even samples of low travel-valuers and high travel-valuers in the first place – we see extremely significant differences in attitudes towards leisure learning.

"How valuable are each of the following to you in terms of your overall entertainment? On a scale of 1 (Not at all valuable) to 10 (Extremely valuable): Learning a new skill/activity" % who rate this 6-10 (Leisure Learners) and less (Non-Leisure Learners) | Amongst those who rate travelling to new countries 6-10 (High value in travel) and less (Low value in travel) | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Clearly, there is a natural bond between travel and skill-building for consumers.

This may be because of the strong underlying link between skill-building with authenticity and meaningfulness – something which clearly showed in our qualitative research.

We see that consumers today are happy to accept that understanding a foreign culture is complex; and that perhaps in order to gain the most authentic understanding of the culture they are visiting, some amount of learning may well be required. If nothing else, being in a foreign country presents an opportunity for novelty: being able to learn something that could not be learned anywhere else.

"I think it's inevitable that if you take up a new activity and you enjoy it, you want to improve at it. I have a friend who started African dancing lessons and are sticking it, going weekly, and looking to learn other aspects about the culture around it, so it's more than just a physical activity for her."

MALE, 27. BRAZIL

"[The trend is active] within the US travel sector... Rather than being content with the usual tourist spots, the US travel market understands that people want to go that little bit further and see destinations 'like a local', learning new things any maybe even picking up new skills."

ANNABELLE, NYC

"Tour companies have activities set up based around those niche market trends. Current touring aspects give you a mix of both leisure and constructive tourism. In Vietnam, many packages offer traditional cooking classes and visits to local villages to see how they produced traditional clothing."

TRAVEL AGENT, CANADA

"When people vacation, they don't have inhibitions, so they love to do things they wouldn't normally do at home. This could be something fun like learning to rock climbing or even something adventurous like exploring and learning about ancient civilizations."

SAHRISH, TORONTO

Normally, people will simply avoid choosing those places they are not interested in [as travel destinations]. But [more and more] they pick a place where they can learn or upgrade a specific skill.

CARRIE, SHANGHAI

IMPLICATIONS: IN-DESTINATION

Proposition development here may not need rethinking so much as repackaging; given the wealth of museums, education institutes, and high-level tours alike, Europe has plenty of pre-existing opportunities that could be reimagined using skills-acquisition language to add a sense of novelty, value or local authenticity.

The key is to emphasise skills rather than simply knowledge. Sometimes, it will be about building propositions that offer the chance to learn genuinely actionable skills – but other times, it may simply being about reminding the latent market of leisure learners of the individual personal development they stand to gain. Travellers who respond less effectively to invitations to learn about local history could respond far more positively to invitations to broader their horizons, deepen their understanding, or add sophistication and worldliness to their identity.

CASE STUDY: Ritz-Carlton “Do Good Feel Good”

Ritz-Carlton in Washington DC offered guests the rewarding opportunity to take part in their Do Good Feel Good scheme, in collaboration with the “community kitchen” DC Central Kitchen.

The DC Central Kitchen provides meals for low income and at risk neighbours, using recycled foods; it acts as a hub providing meals for nearby homeless shelters, non-profit organisations and transitional homes. Guests who participate in the initiative, receive a behind the scenes tour of the kitchens operations, with opportunities to volunteer afterwards. Reservation to volunteer normally must be reserved months in advance.

The package includes an elegant room for a night, breakfast for two in the hotel’s restaurant, transport to and from DC Central Kitchen and access to the luxury sports club. A donation was also made in the guests name from Ritz-Carlton to the kitchen.

NOTEWORTHY STRATEGY?

The opportunity to volunteer and give back to the community, whilst travelling, is a unique chance to learn. Here we see a brand cleverly identify what is at the core of the leisure learning trend for many – wanting meaningful experience – and taking the opportunity to build a further layer into it.

By focusing on one specific charity, visitors know their efforts are making a difference, and can see this effort making a difference when they volunteer in award winning charity work.

It is also appeals as a ‘staycation’, for those nearer the Washington DC area as it provides a quick, guilt free, getaway, which benefits the community.

Some travellers like their whole trip to be centred on giving back to the community and learning, which this scheme facilitates.

“We believe that this package will be a wonderful option for families or couples who are looking for a unique end-of-summer or early fall getaway. It gives guests an exclusive opportunity to get involved in the community by helping others in need – an act that is always extremely rewarding in itself – while also pampering guests with luxurious amenities, such as chauffeured transportation and decadent breakfasts in bed.”

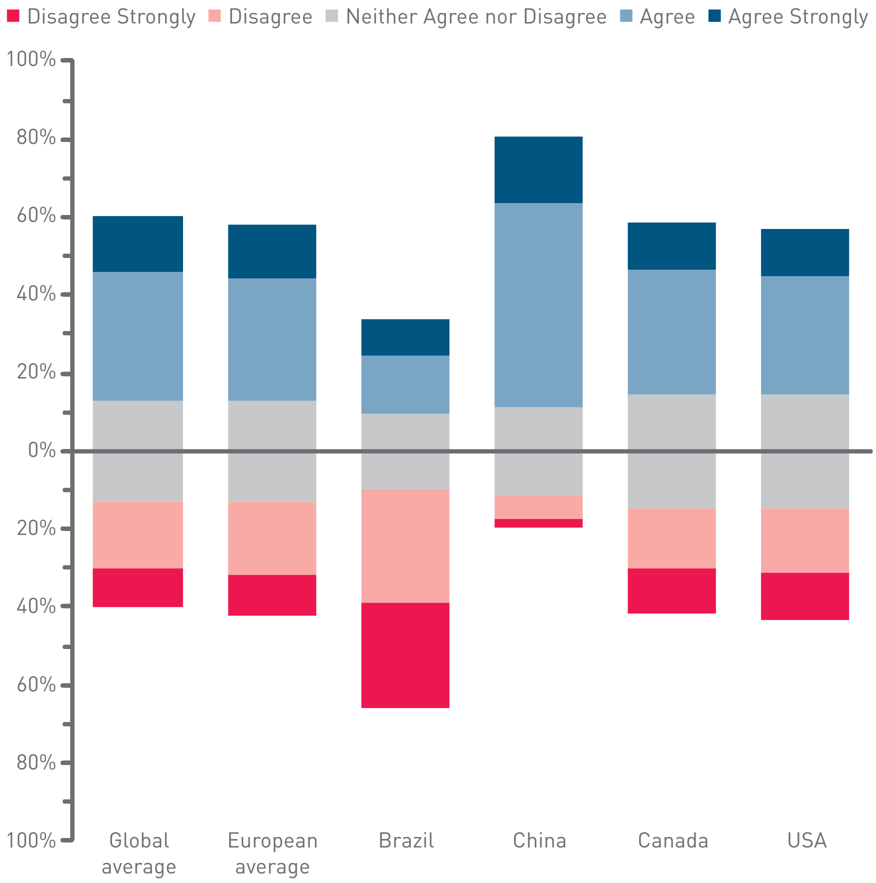
ELIZABETH MULLINS, VICE PRESIDENT AND AREA GENERAL MANAGER AT RITZ-CARLTON WASHINGTON (SPEAKING TO LUXURY DAILY, JULY 2014)

3.1.iii DARK TOURISM

Appreciating that there has always been appetite for looking at the darker side of history in tourism – one needs to look no further than destinations such as concentration camps, war memorials and so on – this trend describes subtle shifts in this appetite. We have placed it within **Constructive Tourism** because the shift amounts to just that: moving from the consumer's curiosity for the darker side of history to a much more complex search for authentic representation, critical assessment whilst abroad and ultimately self-development in this search for truth and meaning.

Of course, this is a relatively niche trend – and indeed, it certainly does not hold universal appeal. We can see below that appetite for visiting historic **Dark Tourism** sites is moderate to healthy in most markets at best – and in the case of Brazil, provokes a strong negative reaction. Positivity from the Chinese market may need to be taken with a grain of salt as well, as some qualitative accounts have contradicted this.

"How strongly do you agree or disagree with the following statements? I am interested in visiting sites associated with historical tragedies whilst on holiday (e.g. sites of battlefields, prisons, slavery etc)" | % who agree strongly or agree | 2014



FOCUS ON: BRAZIL

Despite a healthy overall global interest in Dark Tourism, Brazil is a stand-out exception – over 1 in 4 strongly disagree, with a clear majority disagreeing overall.

Brazillian Millennials are somewhat closer to global total average – but even this youngest group reflect only 33% total agreement, 14 percentage points below the global average of all ages. Meanwhile, it's 2 in 3 Gen X and almost 3 in 4 Baby-Boomers in Brazil who disagree or strongly disagree. Other demographic factors such as income and gender also reveal marginal differences.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

"Dark Tourism hasn't been embraced by Brazilians themselves and it's usually just foreigners visiting the slum. Apart from the sporadic interest in knowing the sights and places in which wars were fought long ago, Brazilians won't really seek out places with a dark history."

TIAGO, SAO PAOLO

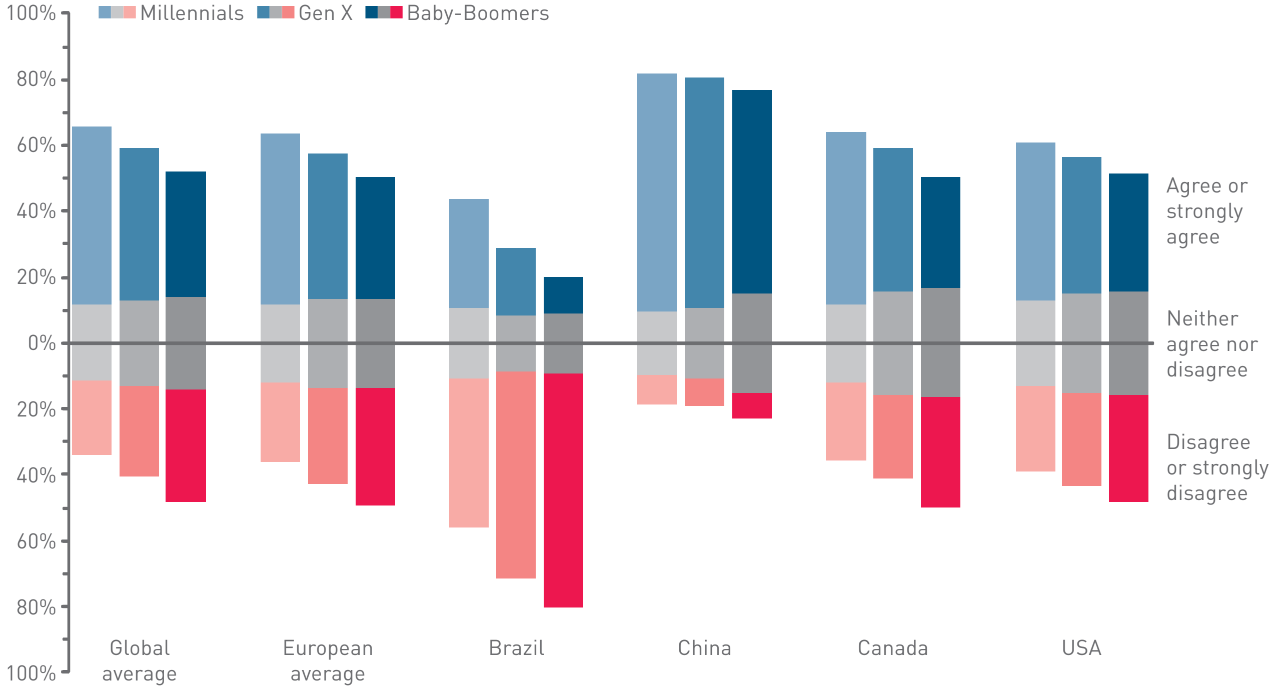
"Chinese tourists always are glad to follow auspicious things, so dark tourism is not the trend, at least I can't see this happening yet in the next 10 years."

CARRIE, SHANGHAI

Unsurprisingly, there is an associated age effect even within those countries that are more receptive to the idea. Particularly in Canada, the USA and Europe, we can see that Millennials are far more likely to agree or strongly agree; meanwhile, Gen X and Baby-Boomers are both more likely to show apathy as well as more likely to show disagreement.

Unsurprisingly, there is an associated age effect even within those countries that are more receptive to the idea. Particularly in Canada, the USA and Europe, we can see that Millennials are far more likely to agree or strongly agree; meanwhile, Gen X and Baby-Boomers are both more likely to show apathy as well as more likely to show disagreement.

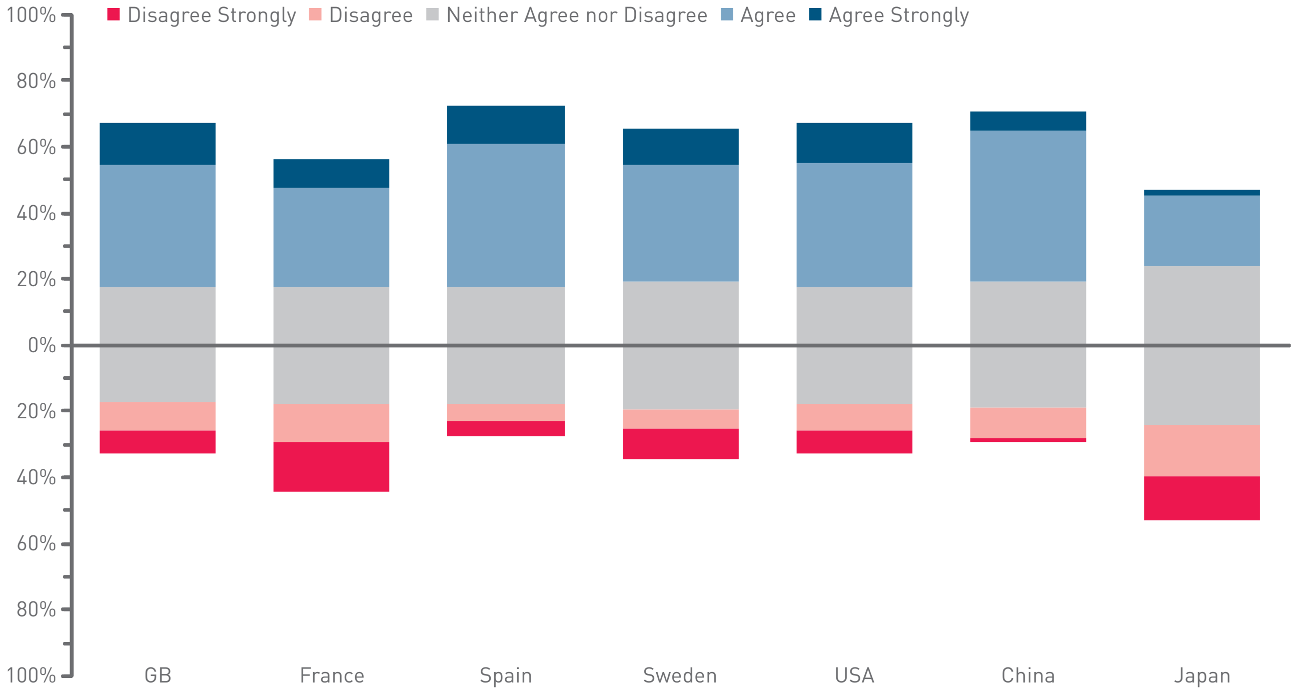
"How strongly do you agree or disagree with the following statements? I am interested in visiting sites associated with historical tragedies whilst on holiday (e.g. sites of battlefields, prisons, slavery etc)" | % who agree/strongly agree, neither agree nor disagree, and disagree/strongly disagree | 2014



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

In looking for what drives this desire amongst those who do have it, a sense of authenticity may be the answer. We can see that consumer sentiment towards brands already holds that brands ought to be transparent about their own flaws; given that destinations are brands of their own, there is a natural parallel here.

"How strongly do you agree or disagree with the following statements? Companies should acknowledge negative comments/posts that people make about them on social networking sites" | 2015



Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

Local to Europe, one need look no further than last year's controversy over the rebuilding of the Prussian royal palace in Germany as the Humboldt Forum – and its commitment to addressing Germany's colonial history and atrocities committed in Africa and Asia. Part of **Dark Tourism** is thus increasingly understood as a search for truth; as this grows, consumers may increasingly jump at the opportunity to discover darker sides of destinations simply due to their perception of darkness as authenticity.

"More people want to discover the authentic side of the destinations they visit (Dark Tourism) instead of the regular tourist attractions that the government want them to see. ... Unless there's an issue of security, this trend will only grow as travellers continue to want to expand their knowledge of the world."

SAHRISH, TORONTO

"Ground Zero is a good example of a very popular Dark Tourism spot in the USA, as is Alcatraz in San Francisco. It seems to be very active domestically."

ANNABELLE, NYC

"Dark Tourism: you want to see every aspect of the place you visit."

MALE, 45, CANADA

However, another part may be the feeling of perspective broadening that is associated with looking at the darker side of things. As affluence rises, there is a growing sense of gaining value through not being blind to the hardship of others – past or present – and whilst this is still in early stages, it may prove to be a driver for consumers in the future.

"With the desire for more than just seeing places and spending time together, people utilise their vacation time constructively more and more often. ... [Complex values] have been the principles of my travel philosophy and my family's as well. Throughout the years while my kids were growing up, we purposely travelled to many poor places to let the children see a holistic picture of the world to make sure they understand different aspects of humanity."

XIAOLEI, SHANGHAI

IMPLICATIONS: INSPIRATION & DISCOVERY

Given that the search for Dark Tourism amounts to another search for authenticity and self-development, using this lens to market classically "dark" destinations could be beneficial; emphasising not only the historical import of places like Auchwitz or Anne Frank's House, but the perspective it could offer visitors.

Meanwhile, there are ways to add this "gritty" sense of authenticity to existing propositions that previously would not fall into the Dark Tourism remit – such as in the case study below from Prague. This could also provide an opportunity for critical reflection with regard to destinations' own identities and histories - with benefits not only for tourists, but locals as well.

CASE STUDY: Homeless Tours around Prague

Pragulic is a social enterprise, aiming to change the way the homeless side of Prague is viewed and change the public opinion of the homeless. The initiative also gives the homeless a job, helping them to return to ordinary social life.

The tours provide glimpses at places visited by the poor and homeless, receiving a well-rounded tour of the city.

Half the proceeds of each tour go to the guides, and the rest goes to keeping the project running. As the guides design the tours themselves, they often include personal locations, such as a forgotten plaque commemorating the death of 8 homeless people and two dogs in 2010.

NOTEWORTHY STRATEGY?

The tour exposes tourists to a world they usually keep at a distance, and also helps the guides earn an income, and share their stories, often restoring dignity and self-value.

The unique guides show visitors and locals the city from a different perspective. They share their funny, entertaining and sometimes dangerous stories. Tourists enjoy discovering the 'other' authentic side of Prague, and what life is like living on the streets, as well as the difficulties people have faced, something not all tourists see.

This is a very natural job for them – they know the places. It's a kind of therapy from them"

TEREZA JUREČKOVÁ, ONE OF THREE CO-FOUNDERS OF PRAGULIC

"It's similar to watching a movie. I was surprised how a person with such a difficult history can think in such a calm way. I was thinking a lot after the tour, about raising my kids, about the risk of finding myself in a similar situation."

MAREK DARGAJ, TOUR PARTICIPANT

"I'm showing people the other face of Prague, dark places of prostitutes, pimps, gangs of thieves, drug dealers, junkies and everything that normal tourists rarely see. I didn't choose to be homeless.

When being on the street, being a prostitute, you lose your dignity. Keeping at least some dignity is crucial. I like people's interest, the questions they ask. I want to help people understand what life on the street is like."

KARIM, HOMELESS TOUR GUIDE

"Nobody will employ someone who is homeless. But I'm trying to do the best I can. I don't steal, I don't cheat people, I don't abuse welfare benefits. The tours are great. They are a chance for me to explain myself better." After losing his job in TV news production and going through an acrimonious divorce, Badalec ended up jobless and homeless around a decade ago. He tried finding work, but to no avail."

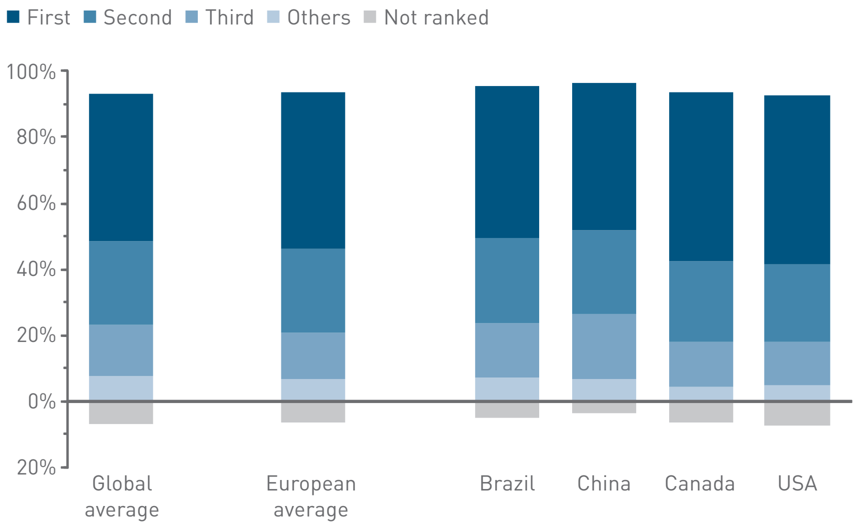
HONZA BADALEC, HOMELESS TOUR GUIDE

3.2 WORLD WIDE WELLNESS

In this section, we look at the other side of self-improvement: the bodily side. Here, we explore the intertwining of fitness, mental health, sport, beauty and leisure under the loosely united heading of "wellbeing" - an increasingly diffusive concept in the minds of consumers.

Consumer attitudes towards health, after all, are nearly universal and as we can see below, health is one of the primary targets for self-improvement and personal development. For around 2 in 5 globally, a health-related life priority is ranked above all other contenders such as personal finances as something to manage better. Both control-seeking and potential-fulfilling tendencies previously explored are clearly at play here.

"If you could better manage any of the following things in your life which would you choose? Please rank your top three options, as well as any others you would choose." | % who select any physical or mental-health related option for each rank (see footnote for details) | 2015



REGIONAL DIFFERENTIATION

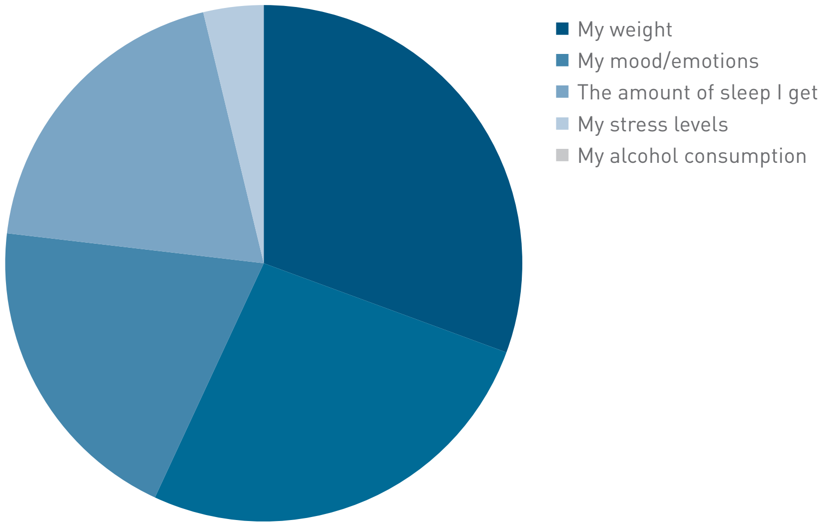
To no surprise, health-related priorities are extremely important to people across the globe - around half of respondents worldwide will have selected something health-related as their top priority for things to better manage. It is less than 15% everywhere who do not choose any health-related priority in their top three.

There is little fluctuation demographically. 42% of Global Millennials rank a health-related option first priority, which rises to 45% of Gen X and 51% of Baby-Boomers.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Full list of options available in The End of Adventure (page 9) | Physical health options include: my weight, my alcohol consumption, the amount of sleep I get | Mental health options include: my stress levels, my mood / emotions | If respondent selected multiple health-related options, the highest-rank was counted

"If you could better manage any of the following things in your life which would you choose? Please rank your top three and then indicate any others that you would also choose." | Of those who have ranked a health-related option first priority, % who say they need to manage each option | Global Average 2015



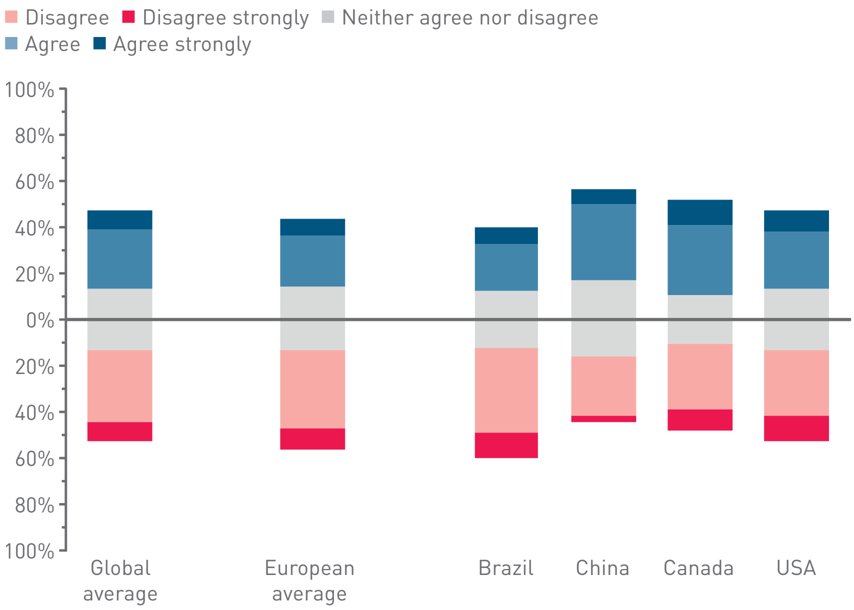
When we look closer at those who prioritise a health-related issue as their top management priority, we see that there is a fair amount of representation around non-physical concerns. Weight is the primary target for top-priority management at 31%; given how much it overlaps with conceptions of appearance as well as health, this is to be expected.

However, 26% of this group select mood and emotion. Combined with those who select stress levels, we see that they make up almost 1 in 2 of those who place health as top priority.

Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

A large part of this has to do with evolving consumer attitudes around stress. We see that majorities across the world perceive their stress to be a consistent staple of their lives - despite a strongly-worded question around feeling stressed "most of the time", there is notably strong agreement. Of the four focus markets, this resonates the least with Brazil and the most with Canada - the latter country in which 1 in 10 strongly agree that they feel stressed most of the time.

"How strongly do you agree or disagree with the following statements? I feel stressed most of the time" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

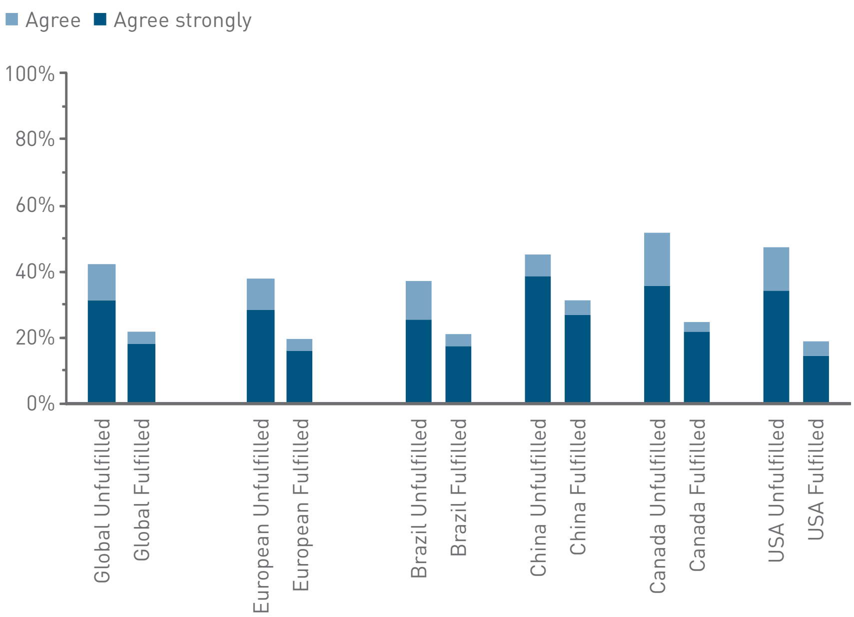
Individuals around the world seem indiscriminately stressed - with almost a third worldwide claiming to feel stressed most of the time. We can see that whether or not this global perception actually represents a real shift in stress levels, it is a clear concern for many.

Recalling how many wish to better manage their mental health, this clearly goes hand in hand.

But amongst those who do not feel they are fulfilling their full potential, it is even stronger.

The difference between global fulfilled and unfulfilled respondents represents an almost twofold proportional difference. In Canada, as mentioned above, this effect is actually even more dramatic. For whatever reason, almost 2 in 5 of fulfillment-seeking Canadians claim to also feel stressed a majority of the time.

"How strongly do you agree or disagree with the following statements? I feel stressed most of the time" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Perhaps it is then understandable that we see a refocusing of health onto issues such as stress. In the last year, we have seen the global trend of mindfulness explode; meanwhile, in the tangential food industry, we are beginning to see the appearance of "mood foods" claiming to help manage stress as well.

Unsurprisingly, suppliers within the industry have responded to this trend as well. Across the world, new examples of wellbeing-integrated travel have popped up. It is notable how mainstream much of this pitch has become: rather than being either the esoteric yoga retreats or the perfunctory chain hotel gyms of yesterday, today's health-oriented industry offerings are located in extremely well-trodden ground despite having extremely health-focused offerings.

CASE STUDY: EVEN Hotels

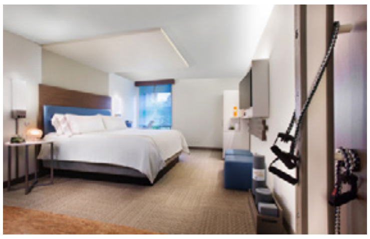
EVEN Hotels are a range of hotels, all currently in USA, which focus on holistic wellness and keeping guests active, happy and healthy whilst travelling.

The range of hotels, created by InterContinental Hotels Group (IHG), aims to facilitate visitors to continue leading a balanced healthy life when travelling.

Their four goals are for their visitors to be active, eat well, rest well and accomplish more during their stay at an EVEN hotel. The restaurant and market, Cork and Kale, caters to all dietary requirements with nutritional, fresh and healthy meals. The rooms are all minimalist, with small workout spaces in each one including yoga mats and other exercise equipment.

NOTEWORTHY STRATEGY?

EVEN Hotels providers its guests with a holistic approach t to wellbeing, facilitating easier healthy lifestyle choices. Natural elements of wood, sand, rock and living plants have been used to build the hotels, greeting guests on arrival.



Hypoallergenic linen, natural lighting, antibacterial wipes, promote rest, while the ample desk space, social spaces and high speed Wi-Fi facilitate hard work.

Travellers are also supported through the website wellwellwell.com, a travel site that provides useful health and wellness tips, such as how to rest, eat and exercise whilst away

"There really wasn't a holistic wellness brand in the hospitality space, so we asked how do we create that, and our solution is EVEN Hotels.

There's a lot of tools and websites that address wellness overall, and a lot of tools and sites that address travel, but we didn't feel there was a lot out there about wellness travel to help people keep that healthy balance when they're travelling. It's very much about providing positive options of encouragement, motivation and support."

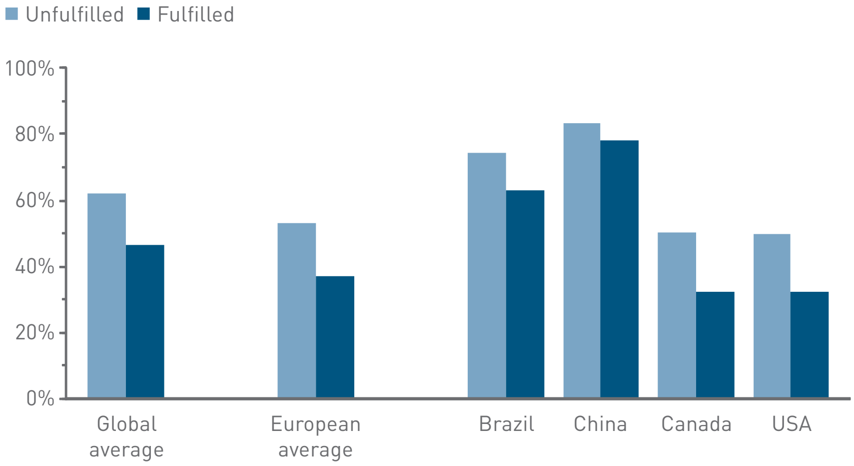
ADAM GLICKMAN, HEAD OF EVEN HOTELS, JUNE 2014

Of course, there are other consumer factors at play aside from global stress. The other main driver behind this mentality trend is the rise of personal health technology.

Never before have consumers been able to monitor their health with such precision, to plan their diets with bespoke apps and count calories with barcode scanners. As with many trends in the consumer landscape, we see that the smartphone has truly changed everything - bringing each and every consumer their own pocket personal trainer.

We see that particularly in Brazil and China, where technological advancement has occurred at a much quicker pace in recent years, there is serious appetite for predictive health services; across the world, this holds appeal for those who do not feel they are fulfilling their full potential. Given how we have already explored how important travel is to this group of self-improvers, it is to be fully expected that they will lead tomorrow's forerunning health tourism trends.

"How interested would you be in any of the following services? A service that helped me to understand the potential impact of my current diet on my future health" | % who are very or quite interested | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

REGIONAL DIFFERENTIATION

Interest in predictive health services are not quite mainstream yet - particularly in Europe and North America. However, there are extremely high interest levels outside of these regions - and more, we see huge jumps in interest levels when looking at those who do not feel as though they are reaching their full potential. The rise is the most dramatic in Canada and the USA; in these regions, the proportion of unfulfilled respondents interested is half.

The introduction of personal technology into personal healthcare has blurred the line between health and optimisation - particularly as conversation around preventative healthcare has exploded in recent years.

We expect that in the future consumers will not only attempt to stay healthy by preventing disease and disorder, but by actually seeking to optimise their bodies and minds above and beyond the baseline.

IMPLICATIONS: INSPIRATION & DISCOVERY

Striking the balance between marketing holidays as healthy without becoming too niche need not be difficult; the key is to bear in mind is narratives of self-improvement, self-restoration and self-optimisation.

More importantly, however, is that those who are looking to de-stress are not necessarily looking to do so by lying on the beach anymore. With **World Wide Wellness** in place, the remedy for stress has actually become an increase in activity; consumers wanting to take a proactive handle on their general wellbeing will be looking for things to do to change gear, and alter the pace or rhythm of life. And even for those who are still seeking a destination to just relax in, there will still be a sense of purposeful action - actively retreating, restoring, becoming more mindful.

For now, however, we simply see growing attention towards health-related concerns. The increased availability of tools to help consumers track and improve their health has resulted in a natural increase in awareness of it. This is further strengthened by the link between the pursuit of good health and holistic self-improvement.

We see this throughout our qualitative research - where we consistently have uncovered a complexity of consumer needs and narratives that reference how much self-improvement and healthy living have blended together into concepts of meaningful or purposeful travel:

"This has definitely grown and one part of that growth I am particularly susceptible to is the idea of self-improvement through travel and adventure which has been largely popularized by the media and such books / motion pictures as Under the Tuscan Sun and Eat, Pray, Love. I lived in Australia for a year and a friend came to visit and booked a side trip to Bali, simply to infuse her vacation with a week of solitude and chance for growth."

KELLY, SAN FRANCISCO

"I am looking for a travel experience that is enjoyable, active and somewhat broadens my horizons. I want to feel better when I get home than when I left – physically, intellectually and emotionally. I want to get exercise, see new things, learn new things, eat new things and return home with to some degree an altered perspective."

CONSTANCE, BEST WESTERN FRANCHISE OWNER, NAPA VALLEY USA

"Resort developers I am working with [I am an architect] are starting to look into more environmentally sensible destination/venues such as tree houses, wood houses, boat houses, tent houses etc. instead of the typical 5-star large modern hotel. Within those venues, activities are also ... more related to nature, education and health and wellbeing."

XIAOLEI, SHANGHAI

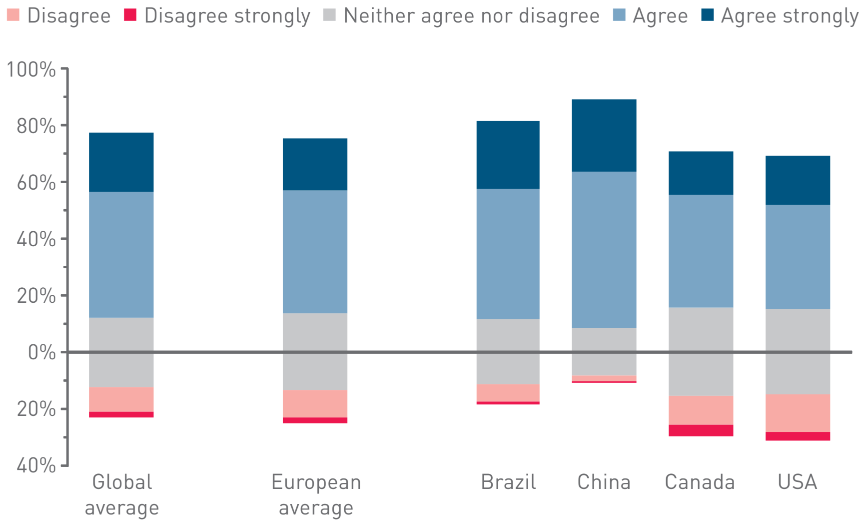
This is the crux of how health and travel will come to meet - two pursuits that already have a long history together in the form of medical tourism, escapist retreats, and similar. The following trends aim to explore how health tourism is expanding its purview to respond to the consumer's hunger for new ways to self-improve. This has never before been easier, with perceptions and definitions of health now encompassing an increasingly broad range of travel-friendly concepts: mental and emotional wellbeing, spiritual growth, adventure, athleticism and more.

3.2.i THE EVERYDAY ATHLETE

For the last decade, crisis cries around globally unprecedented levels of sedentary behaviour have permeated consumer consciousness around health. Between rises in both prevalence of desk jobs and volume of processed foods worldwide, by the early 2000s, the consumer population had never felt more anti-athletic.

Whether the health-consciousness we are seeing represents a true mass market bounce-back towards healthier behaviour or is simply a media-driven phenomenon, we find that the mass affluent consumer today has unprecedented levels of aspiration towards being athletic.

"How strongly do you agree or disagree with the following statements? Keeping physically fit and active is important to my identity" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

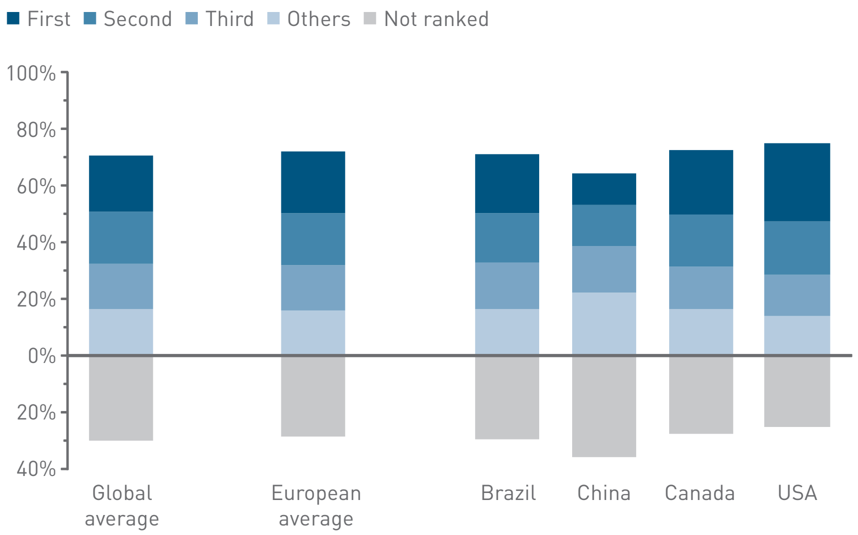
REGIONAL DIFFERENTIATION

Exercise and physical fitness is important for large swathes of the population.

Of course, given social expectation around fitness, it's unsurprising to see such a high volume of combined agreement. More significant may be those who strongly agree - approximately 20% on average. These are likely to be the truly committed; that proportion who will likely lead this trend. They will be very open to holiday options that emphasise fitness - and at 1 in 5, this is a significant market.

Meanwhile, consciousness around appearance has not waned - certainly not amongst those active on social media, who not only contend with media-driven standards of appearance but also collective peer-driven ones. We find that the proportion who wish to better manage either weight or appearance is extremely high.

"If you could better manage any of the following things in your life which would you choose? Please rank your top three options, as well as any others you would choose." | % who select "my weight" or "my appearance" for each rank (see footnote for details) | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

Full list of options available in The End of Adventure (page 9) | If respondent selected multiple health-related options, the highest-rank was counted

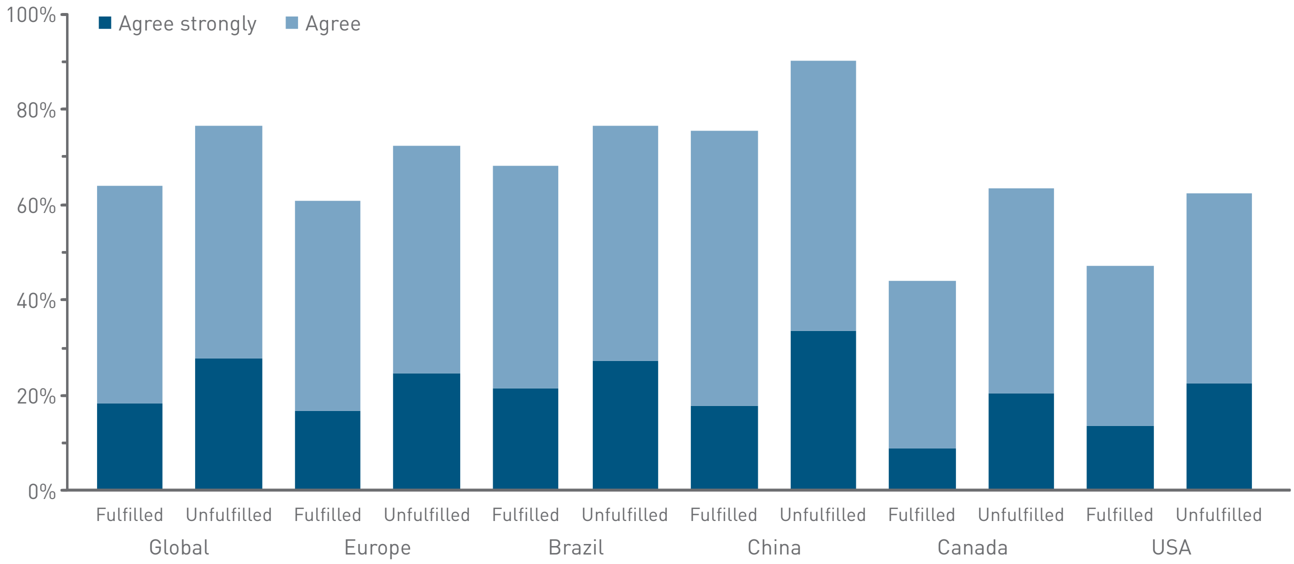
REGIONAL DIFFERENTIATION

Weight and appearance management is a significant top priority for the three Atlantic markets, particularly America - but much less so for China.

Importantly, this should not be attributed to simply being a product of regional struggles with obesity - not least due to obesity recently becoming a true epidemic in China as well. A deeper dive into this data shows that of those who would like to better manage weight, there is only slight overrepresentation of respondents who are overweight or obese. Meanwhile, analysing this group by behaviour reveals that significant proportions are those who are regularly exercising.

But beyond the basic fact that consumers today seem to have more pressures than ever making them body-conscious, there is deeper insight when it comes to the blending of fitness, beauty and health. As appearance-consciousness is so tied up in identity, we see mindsets towards health and fitness taking a similar shape to mindsets towards control: consumers today do not only want to be healthy, but they want to appear healthy as well.

"How strongly do you agree or disagree with the following statements? Keeping physically fit and active is important to my identity" | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

It goes without saying that in the current climate of control and self-improvement, it is unlikely that we will see such volumes of consumers who wish to truly "let go" whilst on holiday; but more than this, we see that consumers may pursue athletic holidays not only in pursuit of having the appearance of an athlete's body, but the appearance of an athlete's identity as well.

IMPLICATIONS: INSPIRATION & DISCOVERY

Marketing destinations based on the opportunity to be active should not be regarded as alienating to those who wouldn't necessarily pursue a sport-driven holiday - due to the aspiration surrounding fitness, it's likely that associating activities and destinations with exercise and health culture will still be appealing to large majorities.

There is also the 1 in 5 for whom keeping physically fit and active is extremely important; not all of this group will necessarily have considered combining their love of fitness with adventure, exploration and simply getting away. Finding ways to identify and target these individuals could lead to them considering destinations that they normally would not.

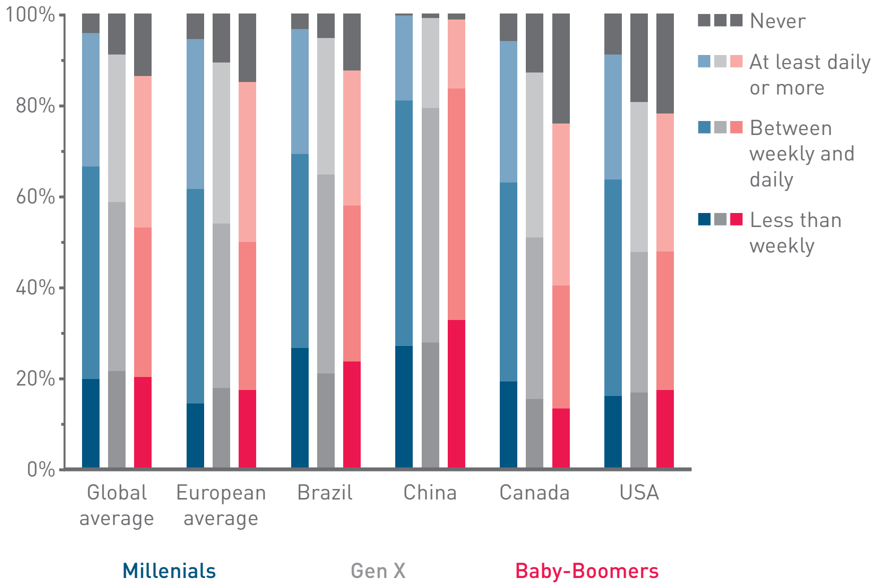
Of course, there are more structural factors that enable **The Everyday Athlete** as well. A clear story that we see in both our qualitative and quantitative findings is the demographic shift of older consumers beginning to pursue unprecedentedly active leisure, contributing not only to the increase of aspirational athleticism, but to an increase in real athleticism as well.

In many Western markets, the compression of morbidity - the extended number of actively healthy years the average person has within an ageing opulation - has certainly contributed to this sense of re-energised athleticism. In markets such as China, where older populations have long been health-oriented due to cultural habit, we see them now ageing into firmly middle-class affluence with which to pursue athleticism in more complex ways than before. But regardless where we are, we are seeing a slightly older population than we are used to pursuing fitness.

"My husband and I retired three years ago and we spent a year getting increasingly bored and lazy, so we decided to run a half marathon in every state. Since last March we have run 26 half marathons and we like to spend 10-14 days in each state to have time to explore and enjoy the surroundings. I had never run a half marathon before I retired and I am happy I now have time to both exercise and travel."

FEMALE, 64, USA

"Which of these best describes how often you do each of the following activities? Play sport / do exercise" | % who do this at each frequency | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENCES

For anyone who has visited China and seen the local evening phenomenon of retirees synchronised-dancing to popular music in public squares and parks - or more traditionally, doing tai chi in the early morning - it will be no surprise to see that 41% of the Boomer population exercises at least every day if not multiple times a day.

But whilst other countries may not have quite as active an older population, we still see relatively little difference between age groups - particularly between Gen X and Baby-Boomers.

Notably, we can see that all factors in this area have ultimately widened the volume of "fitness types" in the world. As seen above, 1 in 4 people worldwide report exercising at least once a day. Whilst this trend largely addresses the entrance of athleticism into the mainstream purely from the standpoint of aspirational leisure, it is also extremely worth noting that the pool of actual consumer-athletes is large enough to make up a market of its own.

CASE STUDY: Equinox hotels

Luxury fitness brand Equinox plan on opening their first fitness focused hotel by 2018 in New York. The hotel will feature a 60,000 sq ft gym, the companies' biggest gym to date, as well as outdoor and indoor pools. There are plans to eventually open around 75 hotels worldwide.

The company aims to attract many of its regular consumers, who have an interest in health and wellness and who don't want to give up their normal fitness routine whilst travelling, as well as business travellers who want to stay fit. These consumers have been willing to pay premium prices for upscale gyms and exercise clothes, which the company thinks will translate into them being willing to pay for a fitness hotel.

"We are appealing to the discriminating consumer who lives an active lifestyle and wants to have that as a hotel experience," said Equinox Chief Executive Harvey Spevak.

NOTEWORTHY STRATEGY?

This is the first time a fitness brand has decided to launch a hotel line, signalling a change in both the health and travel industries. Many high paying guests now expect health facilities, especially when travelling for business.

Guests will be able to receive in-room and personalised one on one coaching. All the gyms within or nearby the hotels will be open to guests and to Equinox gym members, as the company want to encourage community spirit and motivation amongst all its users.

"We are appealing to the discriminating consumer who lives an active lifestyle and wants to have that as a hotel experience."

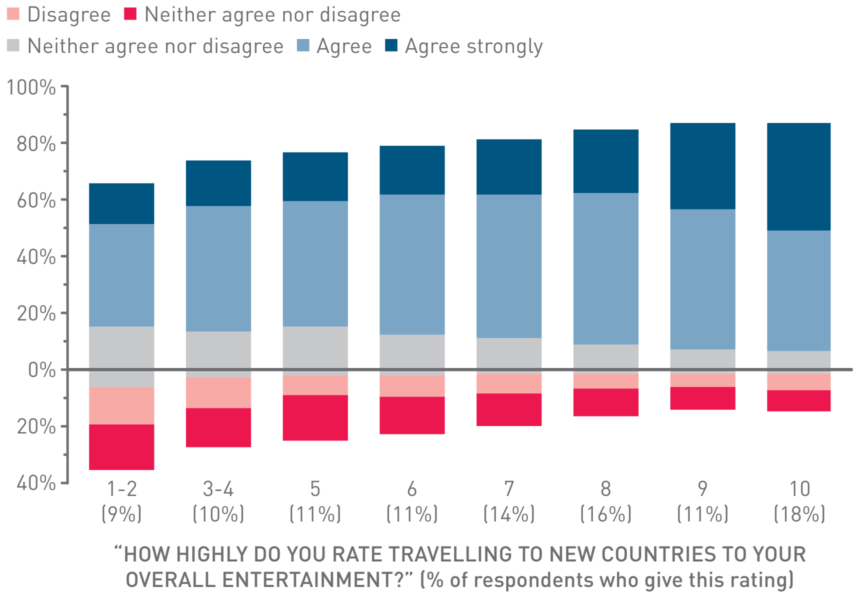
HARVEY SPEVAK, EQUINOX CHIEF EXECUTIVE SPEAKING TO THE WALL STREET JOURNAL, APRIL 2015

"It's a deciding factor for me. If a hotel has a tiny gym, I look elsewhere."

MARK MOBIUS, FRANKLIN TEMPLETON INVESTMENTS SPEAKING TO THE WALL STREET JOURNAL, APRIL 2015

Finally, we look at the connection with travellers. Our data confirms that there is also a natural bond - we see a strong correlation between valuing travel and valuing fitness:

"How strongly do you agree or disagree with the following statements? Keeping physically fit and active is important to my identity" | % within those who rate travel as valuable to their entertainment at each score (see axis label) | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

THE EVERYDAY ATHLETE & TRAVEL

Here, we have taken the entire global sample and grouped those who rate travel to new countries 1-2 and 3-4 together; this gives us two groups that are both made up of approximately 1 in 10 of respondents (volume of total given beneath each group).

Despite the differences in volume across ratings groups, we still see a steady trend across the sample which indicates that those who value travel more strongly are also highly correlated to regarding fitness as important to their identity.

Qualitative research also shows anecdotal confirmation. Particularly from the US, we discovered an extremely strong response; however, indications remained across markets.

"[I] visited Norway during the Golden Week holiday to learn professional hiking and mountaineering with [my] husband."

FEMALE, 35, CHINA

"I recently started climbing because some of my friends do it and always invited me. After going a few times, I've really enjoyed and certainly want to do it more."

MALE, 28, BRAZIL

"We've seen places offering healthy ... activities such as yoga to achieve peace and relaxation.

FEMALE, 65, CANADA

The Chinese are very health-conscious so the key for the development of this trend is to convince them that [products / services] are genuinely better for them."

XIAOLEI, SHANGHAI

"We love going on excursions and trying new activities. On a recent trip to Mexico, for example, we discovered new caves and even went swimming in an underground river which we rappelled down 60 feet to!"

FEMALE, 26, CANADA

FOCUS ON: USA

Qualitative research results from our Americans in particular revealed evidence of two crucial aspects: doing exercise or sport whilst on holiday as opposed to relaxing, as well as travelling to sporting events and melding them with holidays.

"Americans are very into sporting culture and spend their leisure time attracting sport games on the weekends, or visiting amusement parks. I think this also applies to vacation – a lot of Americans prioritize fun vacations where they can visit theme parks or do activities."

ANNABELLE, NEW YORK CITY

"Another travel trend I've noticed is fitness. ... There is a very popular half marathon series that encourages people to travel, called Destination Races. Destination Races is a half marathon series that holds events in wine countries around the States. I have done 3 and noticed that a large majority of runners travel to participate."

KELLY, SAN FRANCISCO

Regardless of market, the most important factor in capitalising on this trend will be to ensure that physical activities are meaningful - getting to the heart of the consumer mentality beneath that looks for all-encompassing self-improvement. This trend is particularly effective in combination with other trends: as a way to provide a one-off experience, a sense of adventure, to build a new skill and so on.

3.2.ii MASTERING THE MIND

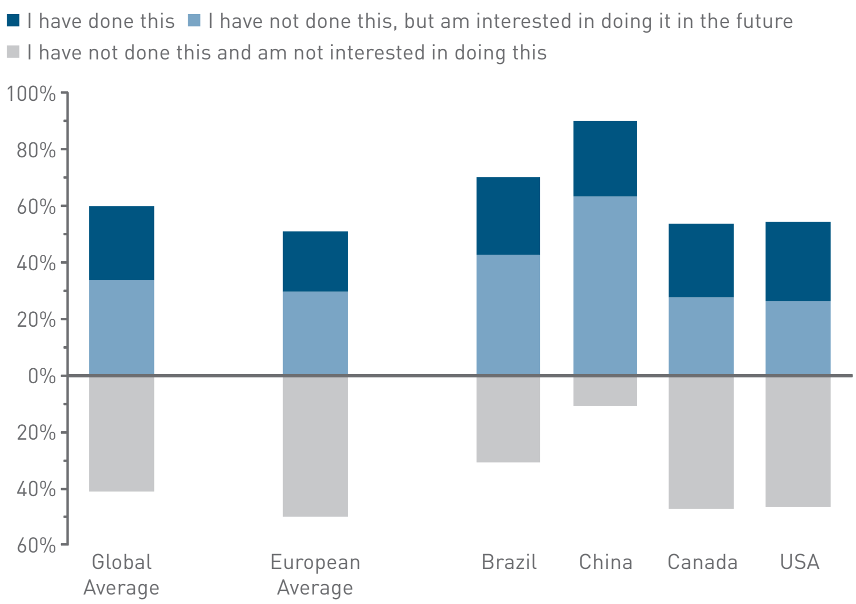
The final trend in this section addresses the global rise of mindfulness as the newest, biggest health pursuit. Particularly given its highly personal - for some even spiritual - undertones, it is perhaps the leading health trend that ties together ideas of hollistic health improvement, control over all aspects of the self, and the ultimate search for meaning and fulfillment.

"The [wellness] travellers' behaviour is more focused on the solo-experience, may look for spiritual attractions or taking self-guided hikes and tours to experience a place on their own as for this traveller, it is more about the journey than the destination."

KELLY, SAN FRANCISCO

We look at the global uptake of mindfulness, as well as existing interest:

"Which of these things have you done already and which are you interested in doing in the future? Practiced meditation or mindfulness." | % who select each option | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

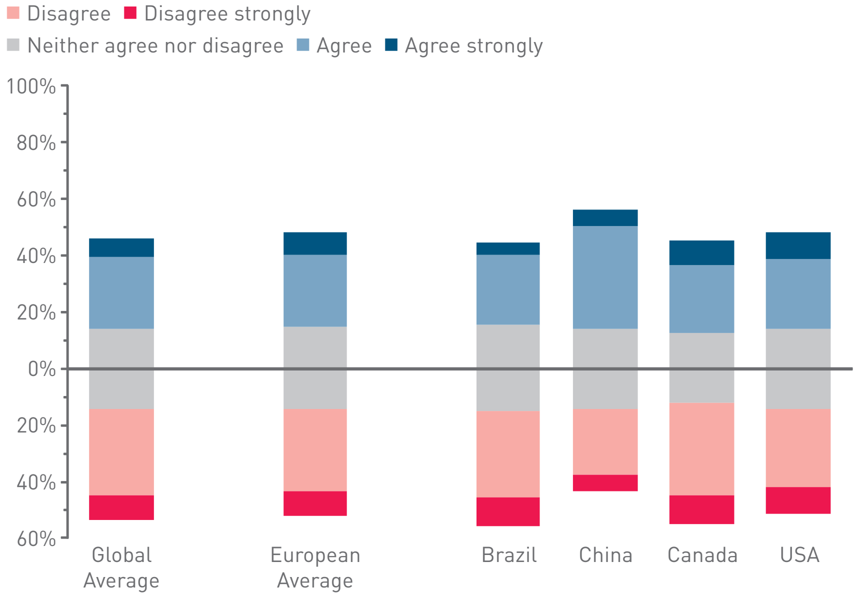
Overall, there is healthy interest in mindfulness - we expect these proportions to grow in future, as it continues to make its way into the global mainstream.

Notably, the proportion of those who have done it does not change across markets. Interest levels, however, are different; they are highest in China, perhaps due to the relative cultural nativity of the practice.

Across the board, it is around 1 in 5 who have already tried it; it is a further 1 to 2 in 5 who are interested, depending on the market.

In tandem, we also see that significant global minorities agree that they "find it hard to clear [their] mind of thoughts and concentrate on the present". Whilst it is not a mainstream pain point, it could prove to be a future-facing one - particularly as lives get more demanding, and focus becomes inevitably more fragmented by mobile living.

"How strongly do you agree or disagree with the following statements? I find it hard to clear my mind of thoughts and concentrate on the present" | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

REGIONAL DIFFERENTIATION

Respondents are fairly evenly divided across the world on the topic of concentration and putting stray thoughts aside.

The lack of difference between regional markets is notable, given typical patterns of difference that have been seen elsewhere in the study. Whilst China shows higher overall agreement, it reflects lower strong agreement, potentially balancing this out. It is Brazil that shows the lowest agreement overall, with marginal numbers who strongly agree as well.

Mindful travel may also emerge as the new way to pursue relaxation travel - without impinging upon the sense of letting go or missing out on the opportunity to do more.

"As my kids gets older, those trips where you can go to a silent retreat or just meditate for a week become more and more appealing!"

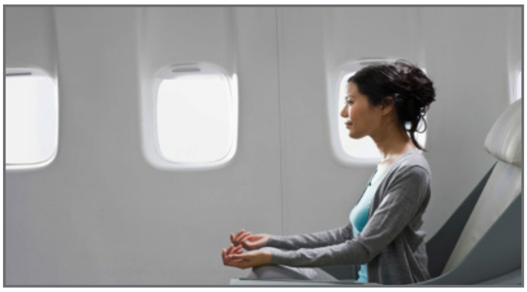
FEMALE, 33, USA

IMPLICATIONS: IN-DESTINATION

If consumers are indeed finding it difficult to concentrate on the present, this could contribute to travellers not enjoying their holidays as much as they potentially could. Having seen the propensity to book or cancel last-minute, micro-manage all aspects, and constantly look for better, this is likely to be unsurprising.

Given the latent interest in mindfulness, holiday-providers could provide opportunities for consumers to take moments to unwind and focus - whether if it is through explicit invitations to try out mindfulness (as seen with British Airways, below) or smaller cues built into existing propositions.

CASE STUDY: British Airways & Mindfulness institute



British Airways offer help and tips to overcome pre- or in-flight anxieties. As part of this service, in collaboration with the **Mindfulness Institute**, they have introduced an in-flight meditation program.

They have created 3 video tutorials by mindfulness instructor Mark Coleman, which aim to sooth nervous passengers by teaching them simple techniques to remain calm, while they wait to board the plane, during the flight and when they have to disembark the plane. All videos are available to watch onboard the plane.

The airline also offers tips for a more relaxing journey, such as comfortable clothing, moderating alcohol and coffee, taking naps and stretching during the flight.

The airline also offer health and wellbeing advice on their website and in their in-flight magazine.

NOTEWORTHY STRATEGY?

The key to mindfulness is learning to accept whatever is happening in the current moment.

This strategy helps people feel more comfortable when flying, and might influence travellers' choice of airline in the future, as well as targeting those consumers who already have an interest in mindfulness.

"At British Airways we design the flying experience to maximize our customers' time, whether they want to work, rest or be entertained. Introducing mindfulness practices allows customers and our employees to be at their best and be ready for the next part of their journey."

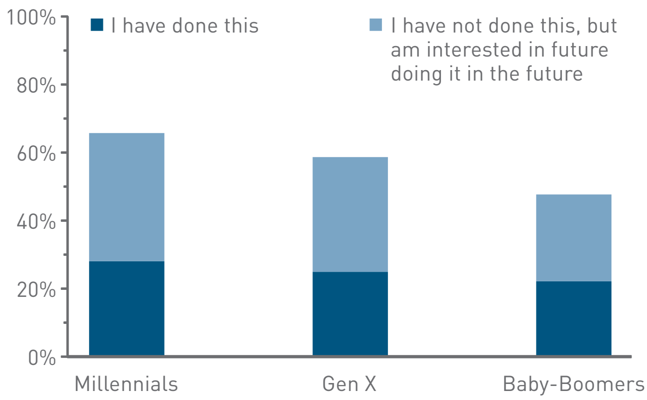
SEAN DOYLE, AMERICAS EXECUTIVE VICE PRESIDENT, BRITISH AIRWAYS APRIL 2015

"Mindfulness has been shown to lower stress and reduce its effects on the brain, improve both mental and physical well-being, help you sleep, think more clearly, reduce inflammation through the body and much more. By incorporating the techniques outlined in the mindfulness videos customers can begin practicing mindfulness from when they arrive at the airport and throughout their journey. The practices will help travellers experience calm and focused travel, even when there is a lot of activity going on," British Airways' mindfulness consultant Mark Coleman told Mashable."

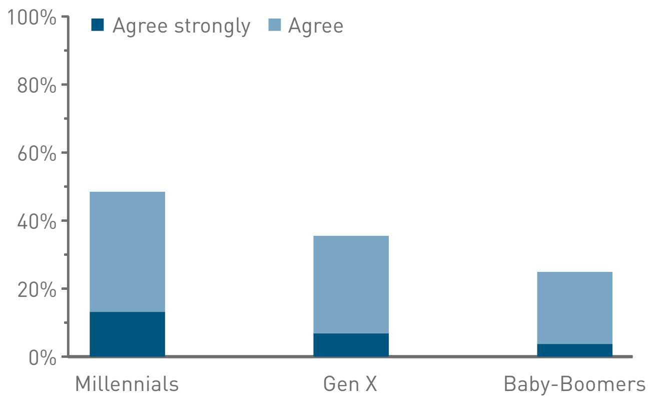
MARK COLEMAN, FOUNDER OF THE MINDFULNESS INSTITUTE
SPEAKING TO MASHABLE, APRIL 2015

This is a somewhat younger trend: Millennials are more likely to find it difficult to clear their minds, as well as more likely to be interested in practicing mindfulness.

"Which of these things have you done already and which are you interested in doing in the future? Practiced meditation or mindfulness" | Global Average 2015



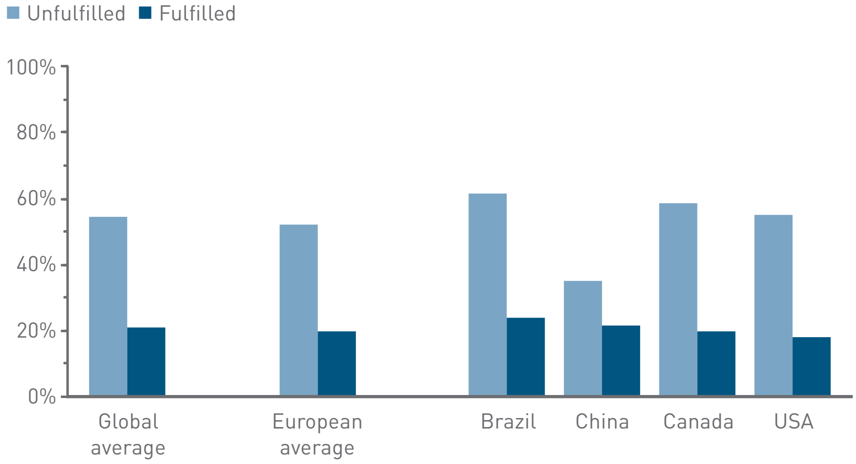
"How strongly do you agree or disagree with the following statements? I find it hard to clear my mind of thoughts and concentrate on the present" | Global Average 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

However, the strongest dividing factor is not demographic but attitudinal - bringing us back to the global cohort of those who do not feel they are fulfilling their full potential. The difference here is truly huge, with over half of the global unfulfilled either agreeing or strongly agreeing to finding it hard to clear their minds; in those who do not feel this lack of fulfilment as strongly, it drops to 1 in 5.

"How strongly do you agree or disagree with the following statements? I find it hard to clear my mind of thoughts and concentrate on the present" | 2015



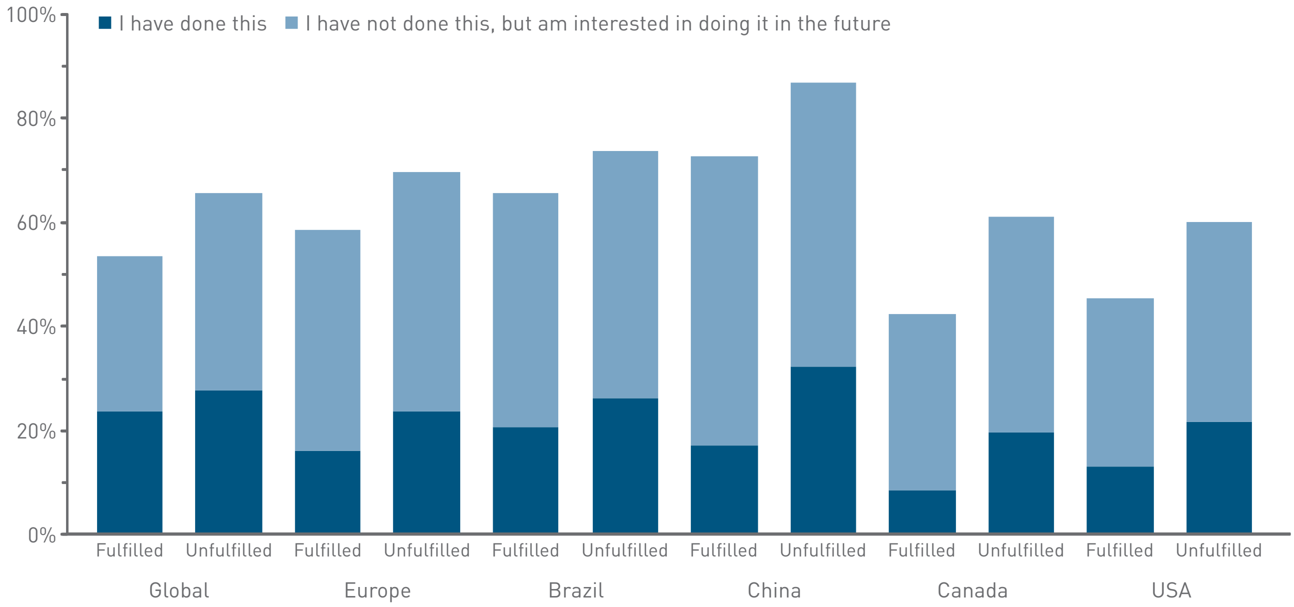
Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

REGIONAL DIFFERENTIATION

With the exception of China, the disparity between segments here is genuinely remarkable. Bearing in mind that the statement on fulfillment yields roughly equal proportions of society worldwide, this particular factor marks one of the most salient dividing features.

We see that there is a root of the mindfulness trend which, like the other health-related trends discussed, is not only about rising above a negative state of being, but fully capitalising on and moving into an optimising, maximising mindset. As expected, we see that those who feel a lack of fulfilment are also more likely to have tried - and to be interested in - practicing mindfulness as well.

"Which of these things have you done already and which are you interested in doing in the future? Practiced meditation or mindfulness" | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

As the movement grows in popularity, so may the belief that pursuing mindfulness is not only a route to relaxation, but genuine self-improvement - allowing consumers to become more effective and more in control. We expect future travellers to seek the integration of mindfulness into their holidays, or even to be inspired into travel in pursuit of it.

3.3 CONSTRUCTIVE TOURISM: RECOMMENDATIONS FOR TOURIST BOARDS

NTOs must recognise the changing nature of travel, in that travellers are looking for more from their time away from home. This can mean both offering opportunities for learning and challenge or providing vacation choices with wellness benefits.

1. PROVIDE ADDITIONAL BENEFITS: OFFER LEARNING AND CHALLENGE

NTOs must recognise the more active and participatory nature of future travellers. While, non-purposeful, relaxing vacations will still be a feature of the future travel landscape, more and more visitors will want to come back from their trips with new skills or knowledge.

More specifically we recommend that:

a) NTOs and visitor attractions should look to implement in-market Augmented Reality solutions to improve the quality and depth of the visitor experience they offer. Some examples of this have already been discussed in the earlier sections. Tools such as the Time Traveler iTunes and Android phone app will offer those visitors who wish to immersive themselves deeper in their destination the chance to overlay data, commentary and insights right on top of the world they are looking at directly.

b) NTOs need to leverage an untapped resource: the expertise of local citizens to provide a more authentic, less sanitised experience of life in their country or city. Again, solutions already exist in this space. Services such as withlocals.com and eatwith.com put visitors directly in touch with local residents to spend time with them, eat with them and learn from them. Launched in 2013, Eatwith connects travellers with locals who invite them to their homes to experience a locally-made meal at a small cost. Travellers who sign up to the website can search for dinner hosts not only based on location but also by meal and specified price. All hosts are asked to provide a short bio, allowing travellers to get a better idea of who they will be dining with.

c) NTOs must fight the natural inclination to showcase only the best of their country. They should look to tell more varied, nuanced and potentially challenging or discomforting stories to visitors who are now sophisticated enough to cope with this approach.

2. PROVIDE ADDITIONAL BENEFITS: WELLNESS

NTOs must recognise that wellness is becoming so engrained in the lives of people around the world that they will increasingly want to include wellness offerings within their travel.

More specifically we recommend that:

a) Each NTO needs to establish a clear view on what type of wellness tourism is most appropriate for its market.

b) Aside from destinations with a clear USP in this area (e.g. spa towns), all NTOs should look to incorporate wellness versions into their standard offerings. For example:

   1. For the Everyday Athlete, examples of some ways which may appeal to the physically fit can include cycle and walking versions of city bus tours, as well as promoting the pedestrianisation of city centres

   2. For Great Minds, partnering with hotels and spas to offer calming end-of-day experiences to help visitors de-stress after a busy day of sightseeing

   3. More broadly, ensuring food offerings include healthy options

c) Holidays represent occasions when people have more time and inclination to walk than they usually do and NTOs should look to champion walking as a cheap, healthy and more engaging way for visitors to experience their city or region. Providing walking maps, with timed and graded itineraries for walkers of differing ages and/or physical abilities is one possibility. High tech options also exist. While not specifically in the travel and tourism sector, the app Stepjockey[1] is a good demonstration of how such good behaviours can be incentivised and turned into a game appealing to consumers' inate sense of competitiveness, with themselves and with others. The service offers customised stickers showing the step count and calories burned by walking up the stairs in office buildings, or leisure venues.

1. Eatwith. https://www.eatwith.com/

2. Stepjockey. https://www.stepjockey.com/

4. SOCIAL LIVING

How do consumers today socialise, in the post-digital age? How are attitudes towards peers - both those within existing networks as well as strangers outside of them - changing? And in the noisy world of social media, where does the strongest influence lie?

We explore the social side of consumers in two broad areas - first through the lens of their own social habits in a networked world, and then through how they relate to peers. This uncovers three trends in the two categories:

4.1 **Performative Leisure**, which lays the baseline for the ongoing consumer need for social currency on the internet - driving behavioural habits that make *performing* a convincing identity online extremely important, but increasingly nuanced as the social media world matures:

4.1.i **Consumer Capital**, which explores how consumers are using their own social media activity in exchange for rewards from brands online - whether if those are brand-led incentives or peer-driven ones.

4.1.ii **Timehopping**, an extremely emergent trend which explores how consumers are beginning to treat the maturing social media landscape as digital successors to the photo album - but also the challenge that this poses in balancing what is public and what is private.

4.2 **Peer Power**, which explores social perceptions of the idea of "peer" in a world where start-ups and entrepreneurial culture is increasingly glamorous - and what affect this has on the consumer perceptions of authenticity and trust. We also explore a knock-on trend from this:

4.2.i **Connected Communities**, which explores how both social media and the normalisation of peer-to-peer service has contributed to the de-mystification of "strangers" a connected world. This results in new opportunities for social connection, but also newly expanded networks for influence and discovery.

4.1 PERFORMATIVE LEISURE

"Social Living is almost the same as word of mouth for the digital age."

SAHRISH, TORONTO

"People now share their travels on WeChat everyday. Almost at any given day, I am able to 'travel' with my friends around world through their posts. People also subscribe to travel-related WeChat sites. [So] travel is no longer viewed as luxury, but a necessity of lifestyle."

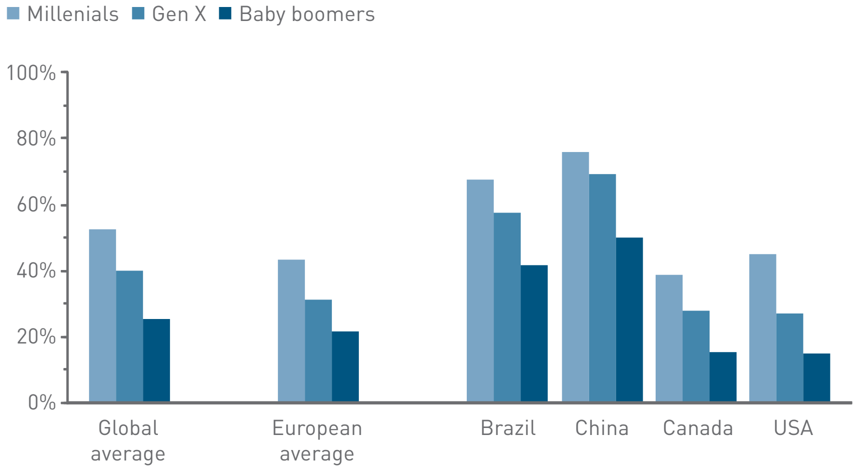
XIAOLEI, SHANGHAI

"Seeing people visit places on social media or hearing them talk about it makes you feel a sort of peer pressure to also holiday there!"

FEMALE, 26, HR MANAGER, CANADA

Over the last decade, brand forays into social media and the social lives of consumers have been well-documented. From the standpoint of consumer needs and attitudes, receiving influence and guidance from social media networks is no longer a trend; it is a truism.

Influenced by social media | "I ask my contacts on social networking sites for advice on products and services I am considering buying" and "I use social networking sites to pass on recommendations of products and services to friends and family" | % who agree to either statement | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

In China, recommendation culture is particularly strong due to existing infrastructure within local social networks; WeChat, for example, allows brands to give their customers shareable marketing material to pass on to friends and family in exchange for reward points.

Notably, disparity between the youngest and oldest consumers is high everywhere. It is evident that Millennials are the most readily involved in the world of social media influence.

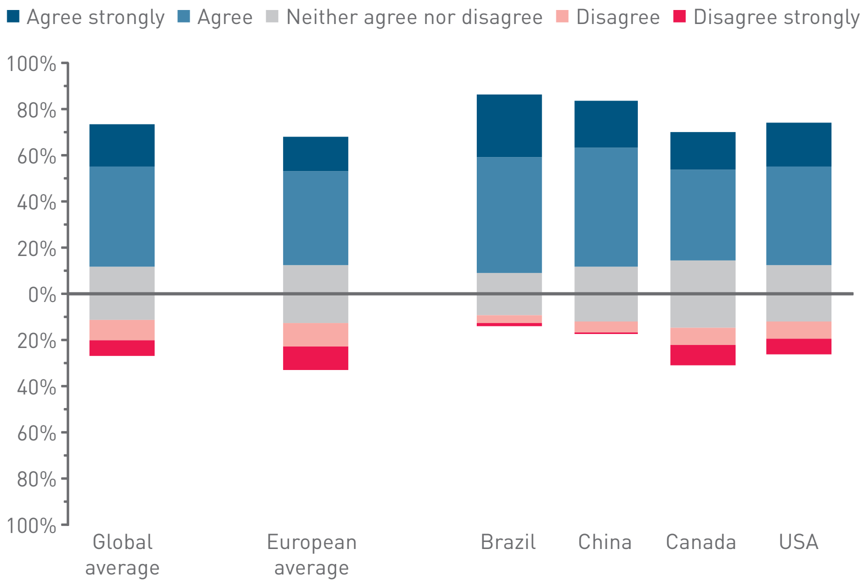
This section of the report does not seek to labour the idea that travellers will be inspired by trips their peers are posting photos of online, or to prove that recommendations from peers are particularly influential; rather, we take these to be known factors about consumers' social lives today, and instead delve deeper into why social networks are such strong motivators for consumers.

Much of how these axes of influence and inspiration have evolved come down to **Performative Leisure** - the byproduct mentality of the constant dialogue consumers face with and between their peers in online social spaces. It is a mentality that drives consumers to look for shareability in their holdiays alongside authenticity; one that drives them to interact with brands online with specific aims; one which puts social networkers in a constant mentality of social capital maximisation that they must balance with preexisting social needs.

Because fundamentally, social recognition is a natural human need. On a basic level, wanting acknowledgement from peers online does not come from a different place to wanting the same in person – the latter of which is something which has existed since the dawn of civilisation.

However, online, this recognition is public – which introduces the dynamic of gaining acknowledgements from friends and family into the world of the wider public eye. It is thus no wonder that we see agreement across the board regardless of market that there is a strong consumer priority placed in online social acknowledgement.

"How strongly do you agree or disagree with the following statements? I like it when people acknowledge my posts / photos / comments on social networking sites" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2015

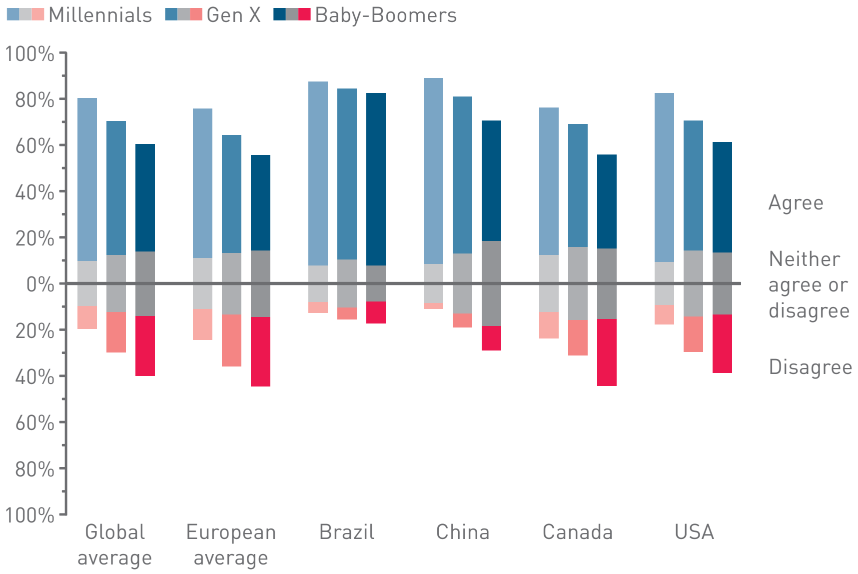
REGIONAL DIFFERENTIATION

We see extremely little regional differentiation - particularly when we consider that social media participation levels differ significantly between markets.

In China and Brazil, not only is there extremely strong agreement, but also very low disagreement. Disagreement to this particular statement is likely to indicate that the respondent feels friction from a privacy standpoint; it is worth noting that online privacy is likely to be less of an issue for these markets.

And of course, it comes as very little surprise that this sentiment is even stronger amongst younger consumers - many of whom will have grown up with social media as a primary social outlet for them.

"How strongly do you agree or disagree with the following statements? I like it when people acknowledge my posts / photos / comments on social networking sites" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

Particularly in Brazil, we see that older consumers regard online acknowledgement as extremely important in comparison to their Baby-Boomer peers across the globe. Chinese Baby-Boomers show weaker agreement, but also do not tend to disagree.

However, even in Canada, we see that 2 in 5 Baby-Boomers agree that social media acknowledgement is a positive. Given that this includes those who may not be social media users, this is still fairly strong.

Quantitative research findings remind us that this particular social phenomenon is extremely relevant to travel - as travel is one of the most obvious lifestyle activities to share, and one which has an associated culture of online boasting that is identified in multiple markets:

"Brazillians still very much like to share instantly what they're doing, especially when they're on vacation abroad. So what's the use of isolating yourself on an amazing island that has no Wi-Fi to Instagram to your friends how amazing that island is?"

GABRIEL, TRAVEL AGENT

"This is embarrassing and terrible to admit, but I don't think I could stand a trip where I couldn't at least find SOME internet to upload my photos. I'm guilty of selfies."

FEMALE, 26, USA

"Performative Leisure ... is dominant in Canadian culture. ... People are living vicariously through friends' status updates. This [Millennial] age bracket likes to take adventurous vacations, taking snaps while taking part in exciting excursions. They also like to stay the most luxurious destinations they can afford, and definitely like to show off that part of their trip online."

SAHRISH, CANADA

"Performative Leisure is the strongest one of these trends in China as that type of behaviour is being developed through WeChat. I can see this phenomenon grow further over the next decade."

XIAOLEI, SHANGHAI

"when choosing and booking our travel, we seek out places that can keep us connected (Wi-Fi) and will enable us to portray ourselves as living the lives we want to live."

ANNABELLE, NEW YORK CITY

"Performative Leisure extends from vacation into 365 days a year for some people, boasting online about the restaurants they choose, the bars and clubs they decide to go to at night, showing the amount of weight they've lost on a diet regime, to their travel destinations and activities they do on their trips."

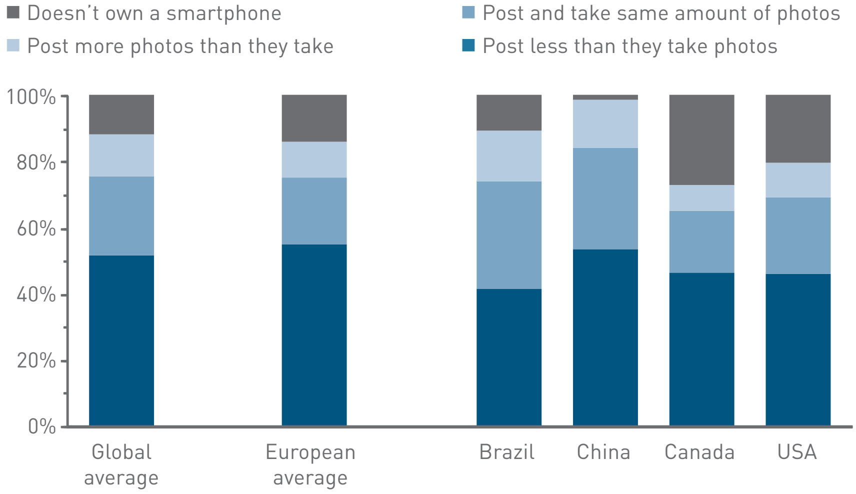
KELLY, SAN FRANCISCO

There is an extremely strong sense from the qualitative work that there is indeed an aspect of social media sharing which is "performed". Given what we have already understood about the consumer need to control the future – as well as the worldwide sense of unfulfilled potential, particularly amongst social media –prone demographics such as Millennials – it is unsurprising that these factors have combined to create the requirement for having socially-conscious, constantly performed personas online.

Travel is one of the primary targets for this type of performed sharing. Particularly as social media is so image-based, we see that holidays and the inevitable photographs that come of them are particularly poised to fulfil the need for shareable moments; and as we have just seen in **Cult of Creativity** in the previous section, amateur travel photography is rampant across markets.

When we examine photo-taking habits more closely, we find that consumers universally are more likely to take more photos than they upload or share – evidence of self-consciousness, or the desire to avoid "oversharing".

"How often do you do the following activities on your smartphone, either through a web browser or an app?" | post/share photos on a social networking site | take photos | % selecting each option | 2015



Source: nVision Research | Base: 1000-5000 online respondents among social networkers per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

DEEPER DIVE

We asked our global respondents how frequently they did each of the activities on their smartphone; the analysis displayed here shows how often consumers are taking photos relative to their own frequency of posting or sharing photos.

This means that many of those who fall into the group who post or share less than they take photos may never post or share photos at all. Meanwhile, for the smaller group of those who post or share more often than they take photos, this should be understood to be those who re-share existing photos on social media.

This fascinating effect is poignant perhaps because it feels very self-evident; it would feel inappropriate to constantly inundate a public space with every holiday snap. Yet at the same time, we must also remember that there is still the strong need for acknowledgement or even showing off as well – which drives consumers to still post curated versions of their activities.

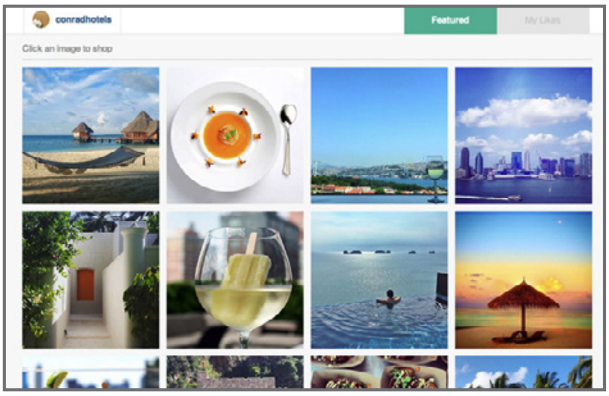
IMPLICATIONS: INSPIRATION & DISCOVERY

There is no longer any doubt: destinations can and must explicitly market their own photogenic-ness for this crowd of eager social media users.

But attractions, activities or even accommodation providers can do very much the same. The rise of the boutique hotel in tandem with the rise of Instagram; meanwhile, much of the long-standing appeal of extreme or unusual activities is how well they are preserved in photographs as unique experiences - and of course how positive a reception they garner from online peers too. Marketing of any aspect of travel may remind consumers how impressive their potential choice of holiday or activity will look; or alternatively, how gritty and authentic it could appear as well.

CASE STUDY: Conrad Hotels Instagram booking

Hotel chain Condra hotels, allows users to book a room at any of its 24 hotels around the worlds, using Instagram. The scheme was introduced by the hotel chains parent company, Hilton Hotels, in conjunction with social media company Like2Buy.



Users have to click on a link on the company's Instagram profile, where they are taken to a separate website, which contain the Instagram photos with links to purchase a room in the corresponding hotel. This microsite and its images lead the consumer to information about the property, TripAdvisor reviews and a booking widget.

NOTEWORTHY STRATEGY?

This method of purchasing acknowledges the changing digital environment and the importance of photogenic imagery when choosing a holiday destination. Quite literally, the hotel group has marketed based on the promise of shareability - and used this as a platform to collapse the inspiration-to-booking journey.

The point of Instagram is to inspire. The Like2Buy technology seamlessly connects you to the booking widget of that property. It's instant gratification for someone looking to truly be inspired to travel.

For us, the real tipping point [for participating in the program] is that Instagram has dramatically surged forward as a preferred platform. We can put up pictures and engage our guests, but how can we bring this full circle, motivate potential guests, 'provide the dream' and facilitate an exchange to excite them to think about booking at one of our properties."

STUART FOSTER, VICE PRESIDENT OF MARKETING AT CONRAD HOTELS AND RESORTS SPEAKING TO USA TODAY, FEB 2015

Performative Leisure is thus a closely partnered theme to the previous two sections of this report. It reminds travel providers and National Tourism Organisations that any experience on offer not only needs to be authentic or adventurous, self-improving or growth-inspiring; crucially, those very traits must be tangible enough to be shared easily in high quality online.

Because crucially, we see from our qualitative research that this consumer need is a driver not only for social media behaviours whilst travelling, but for choice of destination and activity even before travelling as well:

"I think traveler attitudes are definitely impacted by Social Living. People are more likely to book accommodation that fits their desired aesthetic and are more inclined to travel somewhere that might look enviable on their social media accounts."

ANNABELLE, NEW YORK CITY

"I made the decision to move from New York City to Los Angeles. I didn't want to do this the normal way so I decided to bike the 3,000 miles+ across the country. This took two months and not a day went by that I didn't post at least three times. Usually my posts showed where I started, where I ended and what I ate in between... And any other fascinating things along the way. I was by myself for all of those miles and I didn't mind it but I also wanted to share this journey with my family and friends. I understand that there is a danger of "over-posting" but this was more than a trip for me, it was the experience of a lifetime and I wanted to share it."

FEMALE, AGE 39, USA

"Performative leisure would effect accommodation (adventure or brag factor) and destinations boasting extremes in fun, intelligence and sophistication."

KELLY, SAN FRANCISCO

The consumer need for online social capital is a powerful forse. Nevertheless, it is becoming even more complex – particularly as brands enter the foray, attempting to capitalise on peer influence – and also as consumer social media habits themselves continue to evolve. We explore these themes further whilst bearing **Performative Leisure** constantly in mind in the following trends.

IMPLICATIONS: IN-DESTINATION

This social need does not detract from the need for authenticity or any other core travel factor, of course – in fact, there is a strong bond between the need to share experiences and the need for authenticity. Intuitively, we understand that a share-wary consumer will be loathe to clutter their own feed with the marketing material of others, or with anything that looks too pristine; complexities in consumer mentality such as this ought to be embraced.

Travel providers can better enable the successful sharing of holiday experiences by building in photogenic, shareable moments into attractions – and remembering not to necessarily feel a pressing need to tarnish the authenticity of the moment with calls for consumers to make sure to tag or re-tweet. Instead, the "content media" consumers are effectively creating must speak for itself; brands can be sure that if successful, consumers will be happy to pass on details or advice on the source.

4.1.i CONSUMER CAPITAL

This trend comes at the dawn of consumer awareness of their own value to brands when it comes to social media. After several years of public discourse on the phenomenon of "viral" media, of the brand's position in a consumer-led social space, and of the rising power of peer-driven online services, we are soon entering an era where the mainstream consumer is well-aware of how valuable they can potentially be to brands attempting to be successful online – and as a result, will look to capitalise on it.

Particularly from our qualitative respondents west of the Atlantic, we see fluent dialogue that depicts acute awareness of the variety of ways brands are behaving online – and how consumers are responding in turn to capitalise on the situation, from making complaints to becoming brand ambassadors.

"The usefulness and necessity of social media has continued to rise. Consumers are using it more and more to not only document their travels, but also to source information about where to stay. Brands have capitalized upon this and begun to use social media as a means of reaching their customers, and making it easy to establish a solid relationship with them."

ANNABELLE, NEW YORK CITY

"People with a somewhat significant presence on social networks (be it accidental or carefully planned) are constantly approached by brands to help them expose specific products/services to specific groups of people. Advertising agencies are constantly running after users with more than, say, 5k Twitter/YouTube/Instagram/whatever followers to propose partnerships in which the user exposes the brand within his/her particular way of introducing a message to better disguise the paid content (whether through cash or with products/ services from said brand). Politicians do this as well. They track down their organic supporters and turn them into paid supporters so they can boost their campaign/mandate on social media."

TIAGO, SAO PAOLO

"I've had friends tell me that if you ever have a problem on a flight, tweet at the airline or email them and they might offer you something. It seems like it's easier to get their attention online."

FEMALE, 33, USA

"Companies will showcase particular destinations that their employees have been to. Tour companies will showcase Instagram photos travelers have taken with their permission via their own social channel."

TRAVEL AGENT, CANADA

"Millennials are all online, so sometimes it's the only way to get to them, to offer special deals [on social media]."

SAHRISH, TORONTO

This will soon result in a wider consumer mentality that is becoming more savvy to how they can gain benefit from online actions.

But sharing and ambassadorship are only part of the consumer awareness of their own value; increasingly, they are aware of a different type of exchange of online capital: personal data. This sits in a social media space nevertheless, as awareness of targeted advertising and Big Data algorithms rises – consumers will become increasingly aware of how their day-to-day social media activity itself is valuable intel for brands looking to either push their marketing or develop their products better.

CASE STUDY: Virgin Atlantic's 'Let It Fly'

Virgin Atlantic's 'Let It Fly' campaign encouraged travellers to follow their dreams and inspirations.

Part of the campaign included a website where consumers were invited to pack a virtual suitcase for their dream holiday. Virgin Atlantic created a bespoke itinerary for what they thought the individuals dream destination would be, based on the items they had included in their virtual suitcase. By picking destinations based on what a consumer would like to pack, changed the way travellers might think about their next destination, allowing them to consider options they might have previously not considered.

A personalised film was created for each potential traveller, based on a destination, including a restaurant, a specific dish and ideas how to spend an afternoon and an evening in their destination. Live tweets, images and weather updates from popular attractions and local venues were included, with the end of the video displaying city guides, and the option to book flights.

In addition to a TV ad, the campaign included print, digital, outdoor and social media, which were created by Adam&EveDDB.

NOTEWORTHY STRATEGY?

Consumers were entered into a competition to win flights to their suggested destination by sharing their suitcase on social media; a simple enough strategy.

Yet unlike other "Share to Win" campaigns, this one gained particular traction with younger audiences because it offered two crucial things: turning the mechanism of sharing into an act of individual expression that did not impinge upon consumer curation of their profile; and offering a reward that was directly relevant to the input each individual consumer contributed. This made it a resounding success story for post-sweepstake "gamification".

"By creating this online tool, we're looking to inspire our customers to discover our destinations in a fun and engaging way. We're aiming to bring our new campaign "Let it fly" to life by encouraging people to share their dream destination and also offering the chance to win flights."

HAMISH RICKMAN, HEAD OF BRAND ENGAGEMENT AT VIRGIN ATLANTIC SPEAKING TO DIGITAL AGENCY NETWORK, MAY 2015

"We're really excited about what we've worked with Virgin Atlantic to create; a truly innovative, dynamic experience that will serve as a longstanding inspiration tool on VA's website showcasing what 'Let it fly' can mean for any individual. It shows how the brand idea can carry seamlessly into interactive experiences."

ALEX HESZ, DIRECTOR OF DIGITAL, ADAM&EVEDDB SPEAKING TO DIGITAL AGENCY NETWORK, MAY 2015

They will also become more aware of the benefits it could bring them as consumers – making them more flexible to options such as sharing data or personal information. Indeed, we see that especially amongst consumers hailing from outside of Europe, reservations around personal data sharing are particularly low; meanwhile, there is latent interest in relinquishing privacy in return for monetary benefit.

But perhaps the most interesting is how much interest there is in releasing more subtle personal details such as likes and interests – details which might be found on a social media profile – or even personal plans in return for tailored support.

"For which, if any, of the following reasons would you be happy to give permission to a company to use your personal data?" | % selecting each option | 2014

	France	Germany	Italy	Spain	Sweden	India	China	Brazil
So that they can provide special offers / discounts relevant to things I like	41.2%	33.0%	54.4%	42.4%	41.7%	52.9%	53.9%	54.5%
So that they can provide me with personal recommendations for products I might like to buy	15.3%	15.8%	17.4%	24.1%	18.6%	44.3%	41.0%	34.1%
So that they can provide me with helpful advice and tips relevant to me personally	18.0%	16.3%	18.6%	21.8%	15.8%	43.7%	39.0%	30.0%
So that they can learn from my previous purchases /...and better tailor their services to me as a result	13.4%	12.1%	17.9%	14.7%	12.8%	38.2%	46.9%	33.3%
So that they can provide me with funny or amusing content	6.2%	3.4%	7.0%	9.6%	8.6%	18.5%	31.3%	13.7%
None of these	44.3%	51.9%	22.1%	38.1%	49.0%	12.4%	7.8%	19.8%

Source: nVision Research | Base: 1000 online respondents per country aged 16-64 (Brazil, Italy, Spain 16-54 / China, India 16-44), 2014 September

Never forgetting the performative tendencies previously explored, we see that the biggest barrier to public brand advocacy for many consumers tomorrow may no longer be a question of privacy, but of appropriateness and applicability; in other words, whether it clashes with or contributes to their online social image.

The travel industry is responsible for leading much of the innovation in this **Consumer Capital** space. Whilst it is still early days for the more data-led aspects of this trend, travel players have led much of the existing foundations such as collaborating with "Instagram celebrity" consumers to create a mutually beneficial relationship: where the star consumer's profile is elevated by sponsorship (either explicitly or discreetly); and where destinations, hotels or other industry institutions are able to boost consumer awareness in a social setting through this peer level of endorsement.

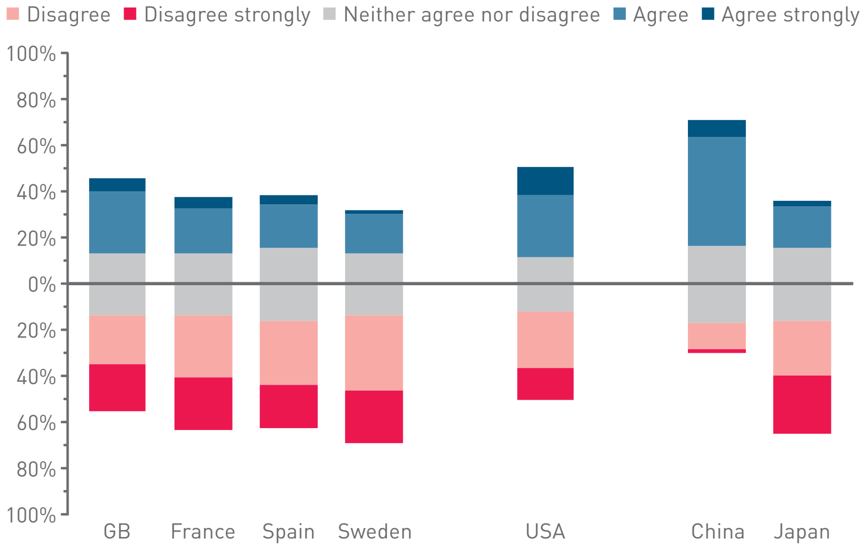
Further innovation may come out of the travel industry as well – particularly as there is a natural cycle of consumer travel-sharing and peer-led inspiration that consumers will allow brands to capitalise on in exchange for benefits. These benefits in turn will become increasingly complex; social currency will of course remain coveted by consumers, but in a world where not everyone can be an Instagram celebrity overnight simply due to a bit of brand recognition, personalised services may become a surprisingly strong pull.

4.1.ii TIMEHOPPING

In **Performative Leisure**, we already examined how consumers are carefully curating their timelines and profiles to display the best public image of themselves. But in the emergent trend **Timehopping**, we also take into account how this is beginning to come into conflict with a separate natural instinct that is slowly becoming a recognisable social media activity: the need to keep a record of one's own personal history.

A survey of several global markets does indicate that any movement of keeping record onto social media is still limited at present; whilst it is strong in China and the USA, there is significant disagreement in most markets:

"How strongly do you agree or disagree with the following statements? I use social network posts to keep a record of the most important moments in my life" | Among social networkers | 2015



DEEPER DIVE

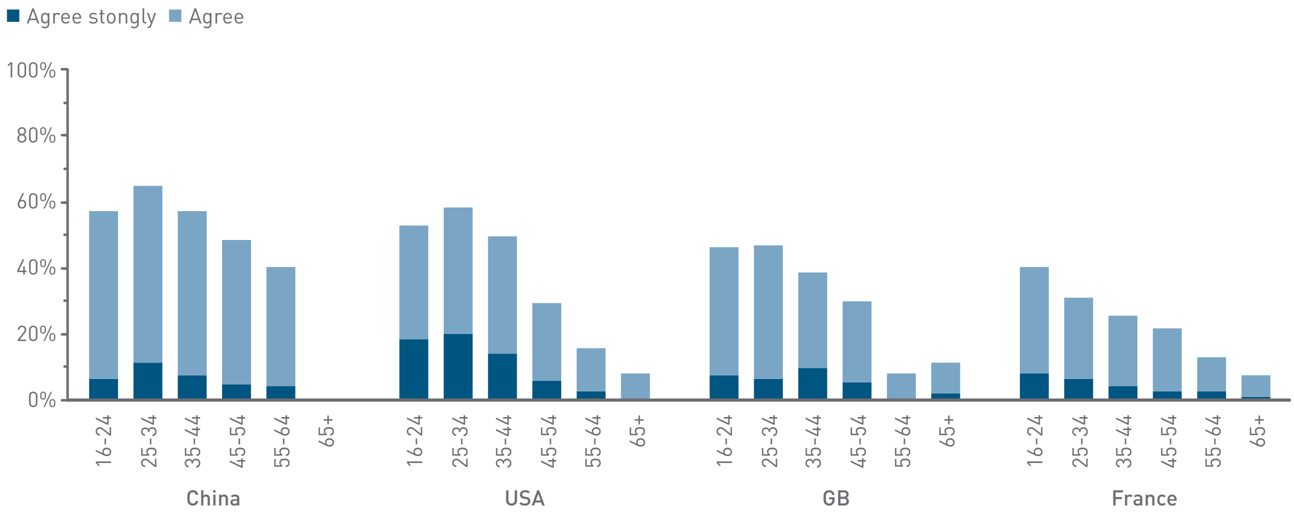
There is a strong global contingent of those who strongly disagree - implying that not only is recording important life moments not within their natural habits, but perhaps even something that they actively avoid or reject.

As we will see below, this is most likely to come from older consumers. Nevertheless, it is important to acknowledge that this trend is still a nascent consumer mentality.

Source: nVision Research | Base: 1000-2000 online respondents among social networkers per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 September

However, looking deeper into a few of the markets displayed above, we see that there is significant difference by age group – and that unsurprisingly, stronger agreement comes from younger consumers.

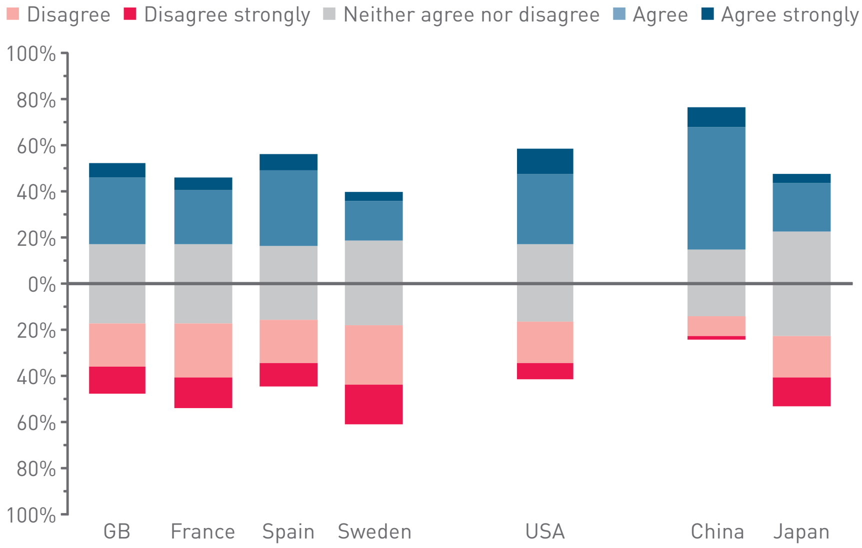
"How strongly do you agree or disagree with the following statements? I use social network posts to keep a record of the most important moments in my life" | % of social networkers who agree strongly or agree | 2015



Source: nVision Research | Base: 1000-2000 online respondents among social networkers per country aged 16+ (China 16-64), 2015 September

This suggests that social media profiles may well be the personal archives of tomorrow. We see a similar budding sentiment when directly asking about photos as well:

"How strongly do you agree or disagree with the following statements? Social networks are a better way to collect photos from the past than physical photo albums" | Among social networkers | 2015



Source: nVision Research | Base: 1000-2000 online respondents among social networkers per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 September

DEEPER DIVE

It is important to note that amongst those who disagree, there is a strong proportion of those who disagree strongly; however, this is not the case with those who agree and agree strongly.

This could imply that of those who disagree, there is likely sentimental attachment involved; meanwhile for those who agree, there may simply be a lack of sentimentality combined with pragmatism.

Timehopping addresses those consumers who are using social media to keep a personal record, and who are using Facebook, WeChat and Instagram profiles worldwide to carefully collect what once would have gone into attic-dwelling photo albums: if the public online space of social networks becomes the primary repository for important memories, what happens when those memories are somewhat more private? And perhaps somewhat more lightly: what challenges arise when the internal consumer archivist must combat the internal consumer curator in those cases where a genuinely enjoyable moment to remember may not have been photogenic enough to post?

Of course, as those who grew up with Facebook profiles from childhood will discover, there is another aspect of retrospectively being embarrassed by past posts or photos; we may be entering an era where the ability to untag or hide is not sufficient, yet deleting online objects outright would be akin to burning old diaries - painful to do no matter how embarrasing the contents. The trend name **Timehopping** refers to the subsequent dance that consumers are beginning to perform – making present decisions based on the longevity of their future value, altering past records based on present anxieties, and so on.

For travel providers, who play such an important role in contributing to consumer memories worldwide - and who benefit so strongly from being memorable - this issue may become a shared tension. Accepting that consumer posts are an extremely powerful source of inspiration within peer groups, there is a potential threat of these items being obscured: deleted retrospectively, not posted at all, or simply buried under the long landscape of other posts and photos making up these long consumer archives.

IMPLICATIONS: IN-DESTINATION

To some extent, this trend simply takes the pressures of **Performative Leisure** to another level; the most straightforward solution to the "archivist" and "curator" tension is simply to constantly have beautifully photogenic, consistently shareable life moments that last for all time. Accordingly, there will no doubt be in-destination innovations to cater to this mounting need – a particularly drastic example being El Camino, below.

But a much more basic step may be simply to realign hygiene factors to consumer need in this space; rather than attempting to make every moment in equal parts memorable and shareable, also spending effort on simply minimising the absolute negatives that would result in automatic vetoing. European destinations may already have an edge on this with their strict rules on cultural preservation that already remove many potential eyesores from key areas. But other simple steps could be viable: from advising local providers on better lighting options for their attractions, to providing cloud-driven photo services rather than print-based ones.

CASE STUDY: El Camino

El Camino is a Latin American travel service which offers journeys with your own personal group photographer, to help you have records of special holiday moments without having to worry about recording them.

The company organises group trps of 10-12 people and has personal contact with each individual traveller pre-travel to make sure they all get the best experience possible. They currently run trips to Mexico City, Columbia, Nicaragua, and Trinidad and Tobago.

Every morning, holidayers receive 20 photographs of them enjoying the holiday frmo the previous day, all of which are ready to upload onto social media profiles. Travellers also receive additional photographs 3 weeks after the trip ends.

The trip is designed to visit hidden, local attractions, all of which provide picture perfect opportunities.

NOTEWORTHY STRATEGY?

Part of El Camino's strategy is that they facilitate you to be able to leave your phone and your selfie stick at home and enjoy being in the moment whilst travelling. They want you to be able to be completely involved in the experiences, not being focused on capturing it.

Being able to effortlessly post updates as daily images, as somebody is taking them for you, enables travellers to relax, enjoying every moment of their trip, knowing they will receive photographs which will last for years on social media

"I was in a water taxi and noticed that the boat was filled with tourists and we all had our iPhones out. We were all looking through these screens at volcanoes. Mobile technology is fantastic—I have no judgment—but it was just an 'aha' moment where I realized travel is different now.

That's what travel is about. It's not about capturing that perfect photo for Instagram, it's about being in the moment."

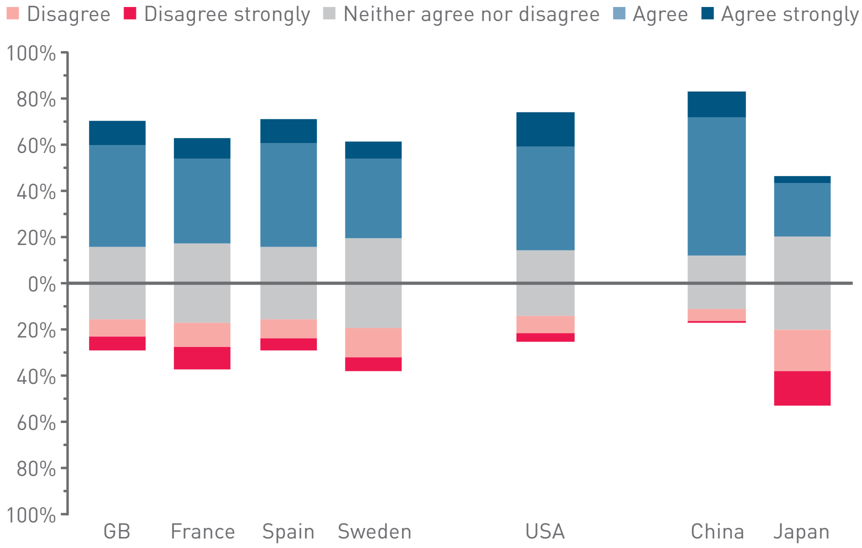
KATALINA MAYORGA, CO-FOUNDER SPEAKING TO AFAR, MAY 2015

"We all live in an image-driven world. When we were first talking about this, we liked the idea of remembering what pure experiences look like: that you can unplug, that you don't need to see the world through your iPhone. But at the same time we all want to share our experience on social media."

MARIANNA JAMADI, CO-FOUNDER SPEAKING TO AFAR, MAY 2015

Because ultimately, one of the most meaningful roles of travel providers today is being able to help populate photo albums worldwide – and to provide consumers with valuable experiences that they can indeed look back on fondly. This is a final consumer desire in this space that, unlike the others, does not know the bounds of physical or digital; we see that social networks as a medium are no barrier to the positive sentiment of looking through old memories.

"How strongly do you agree or disagree with the following statements? I like it when people re-share old photos on social networking sites" | Among social networkers | 2015



Source: nVision Research | Base: 1000-2000 online respondents among social networkers per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 September

REGIONAL DIFFERENTIATION

The nostalgia gained by consumers is worldwide - even amongst those countries such as Sweden and France which have proven their social media cynicism in other areas.

Given the emotional importance of feelings like nostalgia to travel, it is important that consumers are able to preserve their memories without tension - as clearly, consumers in a variety of regions do see value in it.

There may be demand for creativity from the industry in overcoming some of these modern tensions. Whilst this is again an emergent trend, it could be an interesting, emotional, and ultimately effective space or marketeers in the travel industry to play in.

IMPLICATIONS: JOURNEY & TRAVELLING

The journey home is a crucial point in the traveller's holiday where many of the freshly-formed memories are just beginning to settle – and of course, where travellers have to face the bittersweet prospect of returning to their busy daily lives.

Many innovations that help travellers better preserve their memories must of course happen during the trip itself - a particularly drastic example of which we can see with El Camino, above - but others can be as simple as offering time or space at the close of journey to recap and upload. There is still no clear direction for this trend, and it may be the case that this tension fades over time; but for now, there is a space where travel providers may be able to tap into the **Timehopping** mentality and get consumers excited about how nostalgic they will feel in future looking back.

4.2 PEER POWER

This section of the report examines **Social Living** from the angle of community: how consumers are forming communities today, but more importantly how they are beginning to perceive communitarian values. We find that consumer mentalities towards the concept of "peer" are indeed evolving – and particularly when it comes to trust.

We know that online peer groups are highly influential to consumers, whether it be their own personal networks or the wider world of consumer reviewers, travel bloggers and similar. The fundamental driver behind this is simply that these sources are often more relateable; consumers can seek out "someone like me" and be inspired on their own terms. A second factor, however, is trust and authenticity; quite simply, there is not the same suspicion of ulterior motive with peer endorsement as there is with brand advertisement.

Hints of this are clearly visible in the nuances of our qualitative results; there is a strong belief that peer sources are both more relevant and more authentic:

"Travellers fall back on how they use social media as inspiration. If a traveller who is thinking about coming to the Olympic games in Rio de Janeiro starts following social networks of people living in Rio, the traveller will have a better idea of what they'll see whilst in the city. So they'll follow users connected to sports and lifestyle to have a better idea of where to hang out to see and enjoy exactly what they came here for. Which will influence the location they'll choose to stay and the kind of place they want to be hosted in."

TIAGO, SAO PAOLO

"I think Peer Power is most developed in China, because of the vastly increasing use of social media networks for the sharing of experiences / asking for advice. People share their travel experiences online and others' posts can share as inspiration."

XIAOLEI, SHANGHAI

"I really love how people share their experiences on Facebook. If you think about it, I am 63 and I have a handful of friends that are in the same age range, have the same hobbies and are in the same socioeconomic divisions. When Facebook tells me that they have gone somewhere I am sure that I will like the place as well and it gives me a good lead for my next vacation (and also holds the potential for receiving many personal recommendations from friends who have found tried and true gems in the destination."

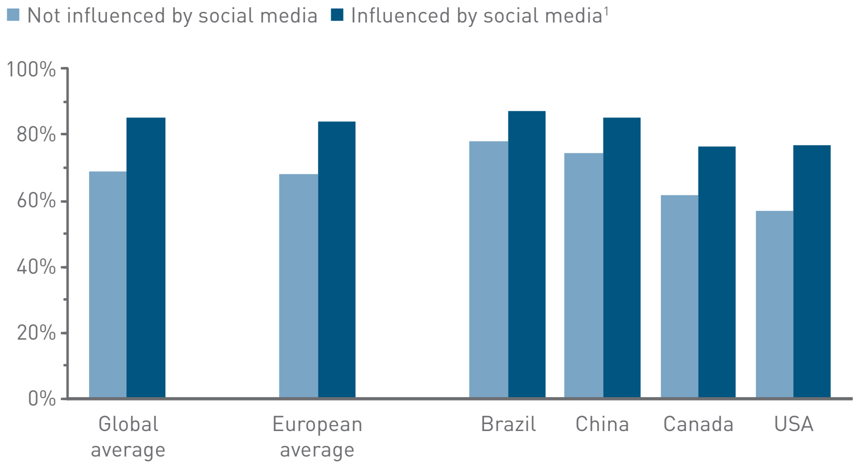
FEMALE, 63, USA

"**FIT (free independent tourist) travels have been popular for a long time** which is much more customised than tours operated by travel agencies which are not at all relaxing."

CARRIE

We also see a clear association in our quantitative data between those who are seeking out non-networked peer guidance (such as reviews) and those who are using social media as a resource for influence:

"Which of the following activities have you done in the last 6 months via any device?" | Read a review online posted by other consumers | 2015



Source: nVision Research | Base: 1000-5000 online respondents among smartphone owners per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

METHODOLOGY

Here, we look at the well-known behaviour of reading consumer reviews - not to establish an already-established behaviour, but to examine its relationship to social media use.

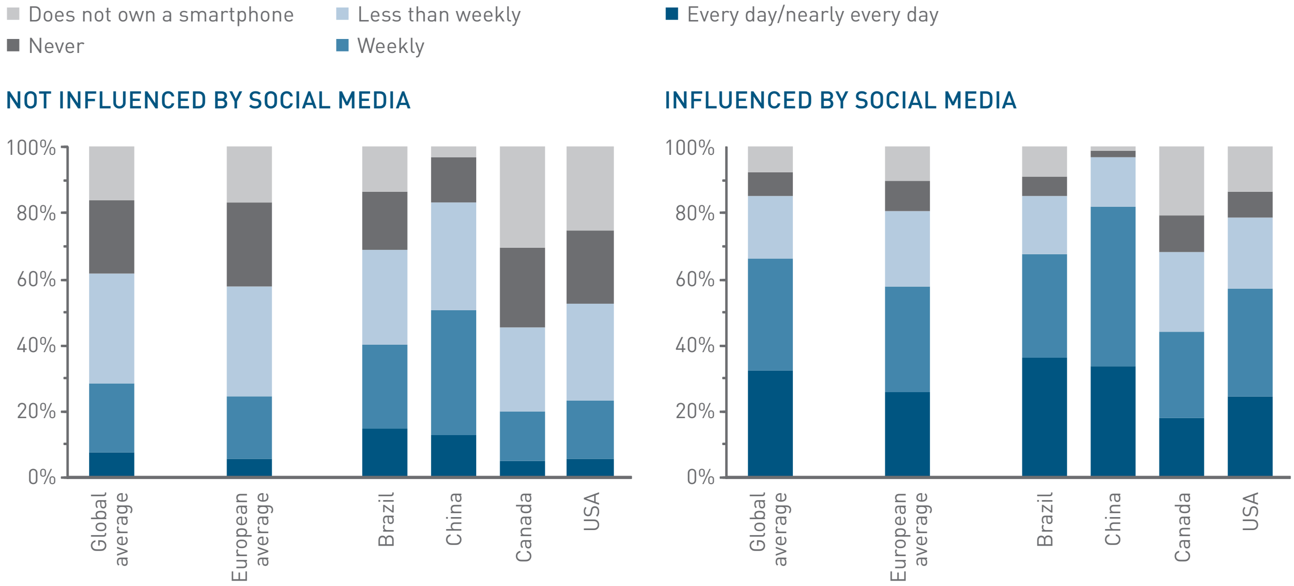
Using the analysis done earlier in this chapter at the beginning of Social Living to look at those who either use social media for giving recommendations or asking for advice, we look at how social media influence creates a wider assumption of trust in non-networked peers.

1. See page 99 for full chart of this group

Overall, those who look for advice on social media are more likely to look for peer-level endorsements in other parts of the online world; this is significant because it suggests that the behavioural habit of social media activity drives a deeper mentality which has led to the overwhelming trust in peers we see today.

Of course, a significant part of this correlation comes down to device ownership and and internet usage. However, this alone does not explain more granular correlations in behaviour – we see that there is not only wider uptake of reviews overall within those influenced by social media, but that this group is practicing peer-resourced decision-making more often:

"How often do you do the following activities on your smartphone, either through a web browser or an app?" | Read product reviews/compare prices for a product or service | among social networkers | 2015



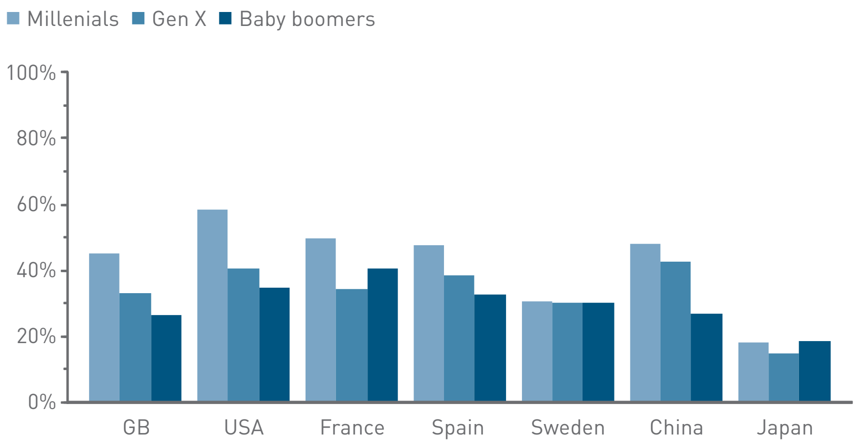
Source: nVision Research | Base: 1000-5000 among social networkers online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

But beyond habit, we find that today, trust in peers is a culture unto itself. Moving on from the well-established realm of consumer reviews, we look at how the recent global movement which idealises and admires startup culture, crowdsourcing and other peer-driven innovations - and how trust in peers is being further energised by this.

We first look at agreement levels to two statements: "I prefer buying from startups or small businesses rather than from large corporations where possible", and "I would rather work for a startup than a big business". For each statement, between just under 3 in 10 across the eight sample countries agree.

When we look at the total group of consumers who have agreed to either or both of these statements, we see an eight-country average population of 36%; amongst Millenials, it is 45%.

How strongly do you agree or disagree with the following statements? | "I prefer buying from startups/small businesses rather than from large corporations where possible" and "I would rather work for a startup than a big business" | % who agree to either statement | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

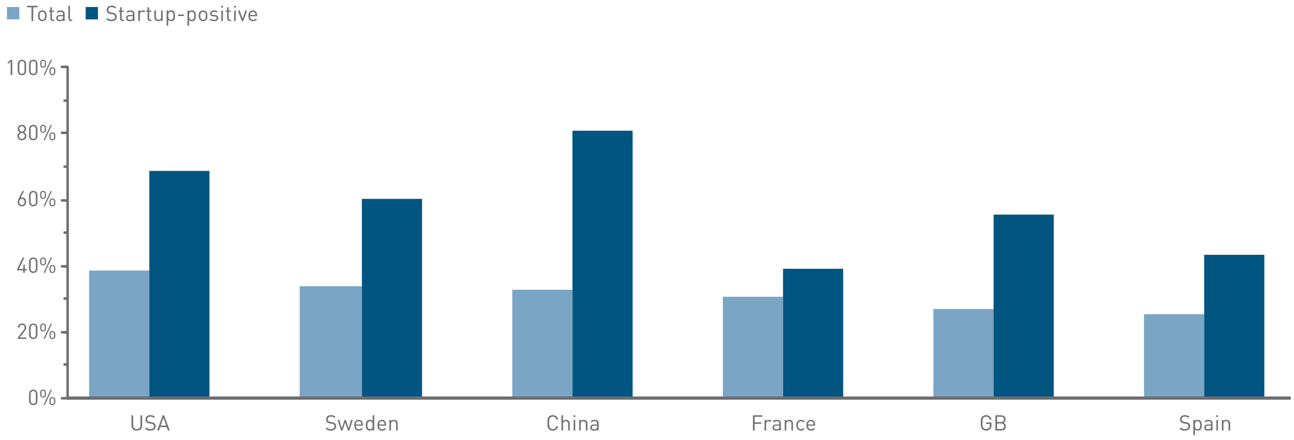
Startup-idealising culture is particularly strong in Millennials, in comparison to their older peers.

Unsurprisingly, it is in America where agreement amongst Millennials exceeds 50%; but strong agreement nevertheless exists across Western Europe and in China.

This global glamorisation of startups and peer-driven services is very important for travel providers – but not simply because many of those services will often constitute challengers and competitors within the industry. Rather, it is important because it opens an avenue of consumer attitude that brands can finally begin to approach in their own right; brands can borrow the existing trust in peers by fashioning themselves as more peer-driven, startup-friendly or even simply entrepreneurial than traditional institutions.

We see that this significant minority of those who feel positive sentiment towards startups are more likely to declare interest in supporting peer investment; although it is a small sample of individuals, we suggest that this is an exaggeration of a more nuanced portrait across markets:

"In the future how interested would you be in using a service that could do any of the following? A service that allowed you to lend money to individuals/small businesses for an interest rate/fee" | % who are very interested or quite interested | 2015



Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September
Note: Japan not shown due to low sample of startup-positive sentiment

We can see that, irrespective of the true volume of this market, there is clearly a correlation between the culture of startup admiration and interest in supporting peer-led business through real monetary investment. Taken as an indicator of mentality rather than a measure of volume, we can see that the ongoing trend of startup glamourisation is highly likely to drive greater attraction to services which are perceived as innovative, entrepreneurial, or even nontraditional.

This helps explain the appeal behind services which, for all intents and purposes, are large corporations masquerading in startup clothing; services such as Uber, Airbnb or even Facebook. It is the marketing justification for the countless in-house incubators that large corporations are housing – as funding in-house entrepreneurialism not only keeps innovation and talent close, but makes the wider brand appear to be fueled by a much more peer-driven ethos.

It also answers for the success of initiatives that simply reach out to consumers and ask them to make choices and decisions in a decidedly crowdsourced, Kickstarter-esque fashion; a prime example of this in the travel industry is Visit Britain's Chinese naming initiative online as seen in the below case study. Another example comes from Travel Starter, who specialise in crowdfunding services for the tourism sector.

CASE STUDY: Visit Britain's "GREAT Names for Great Britain"

Visit Britain launched their GREAT Names social media campaign aimed at Chinese users of platforms Weibo and WeChat in late 2014, with the help of Ogilvy & Mather.

Idiomatic British names are something difficult to be translated into Mandarin, so this campaign invited people to come up with alternative names for British landmarks and attractions, which are more descriptive and understandable. This campaign is in line with the Chinese traditional of giving more literal names to food, places and celebrities.

Some examples of the new names included Wall of Eternity for Hadrian's Wall, Custom-Made Rich People Street for Saville Row, The Needles of Isle of Wight for Poseidon's Trident.

NOTEWORTHY STRATEGY?

The Chinese public were invited to vote, comment and suggest names for various locations around Britain. This turned the campaign into a competition, with the best suggestions for each location being made official. This utilised the collective powers of ones peers and social media contacts

More than 13,000 names were suggested for over 00 different tourist destinations. The campaign was seen over 300 million times on Chinese social media, with 27 million Chinese watching the launch video.

The favourite names are now used on signs, websites and on Google Maps, to make it easier to visit Britain for those consumers who are not fluent.

The campaign helped to bridge the emotional gap between China and Britain, by using the Chinese language.

"The names of places, people, and events get people talking in China more so than in many other cultures. And at the same time we noticed that many British points of interest are let down by lack of a decent Chinese name. So, we thought, why not invite Chinese people to give them a Chinese name?

Potential tourists, in thinking up names for these attractions, will develop a deep understanding of Britain as a destination and develop a strong affinity to its points of interest. This is the power of a truly social idea,"

GRAHAM FINK, CHIEF CREATIVE OFFICER, GREATER CHINA, OGILVY & MATHER DEC 2014

"Chinese consumers are at the very heart of this campaign, so it was important to give them the opportunity to create history and build an affinity with Britain they've never had before. We made sure the campaign was fully integrated around a strong social idea that will connect the Chinese with Britain and get the whole country talking."

JOSS CROFT, MARKETING DIRECTOR OF VISITBRITAIN DEC 2014

Travel providers who are concerned with the threat of peer-to-peer services in any aspect of the industry – from transportation to accommodation – should be aware of the underlying consumer attitudes afoot. What is truly being demanded is a sense of validated aspiration that comes from selecting a trusted, non-corporate brand; tomorrow, we will see medium-size brands continue to innovate in the Peer Power space by turning this mentality around to their advantage.

IMPLICATIONS: INSPIRATION & DISCOVERY

Not every National Tourist Organisation may be allowed to have the Chinese Internet name their country's main attractions – and of course, there are plenty of well-known examples of crowdsourcing of a similar fashion gone terribly wrong.

But peer-positive sentimentality does not need to be quite so literal; a similar effect could be replicated simply through clear, explicit and well-marketed outreach to grassroots contributors in any fashion. Particularly when it comes to inspiration, we already see that brands and organisations alike will showcase collections of Instagrams of their products or destinations on their own websites. This could be explored further, and would be particularly effective at the point of inspiration where a measure of aspiration can be a strong determinant.

4.2.i CONNECTED COMMUNITIES

This trend is also energised by the same global factors that are propelling **Peer Power** - but here we examine the specific willingness consumers have to engage with strangers. Because whilst our global cohort of travellers have been shown to be extraordinarily risk-averse in attitude, certain behaviours feel almost like exceptions: the prevalence of Airbnb on both the guest and host side, the success of online hashtag-driven meetups, the ongoing staying power of hostels.

Part of this has to do with the simple fact that the online world has demystified much which was foreign about strangers. Today, the common consumer knows that their peer group abroad is more like them than not; meanwhile, services that continue to play on the verification and authenticity elements of peer-to-peer trust have refined a sense of security. In other words: consumers may be risk-averse, but interaction with strangers simply is not perceived to be intrinsically risky with the correct measures in place.

This may partially explain the broad mix of attitudes towards solo travel we see. For some, it is enabled by the fact that social media contacts from home are always a tap away; for others, it is enabled by the promise of kind strangers to meet abroad. Qualitative research reveals that at least online, few have qualms with consulting people they do not know personally – and that this sometimes does indeed extend into real-world meeting as well:

"Face to face social interaction is more important and inviting than relationships through social media. Travelling helps make friends who you end up bonding with and see more often."

FEMALE, 26, HR MANAGER, CANADA

"This theme is less established in China yet. [But] I do have an example [from] myself making a true friend through Instagram. We invited each other to visit one and other if we happen to be in each other's city."

XIAOLEI, SHANGHAI

"Those on their own also see social media as a friend and even an interactive travel journal on the road (social media becomes your travel companion)."

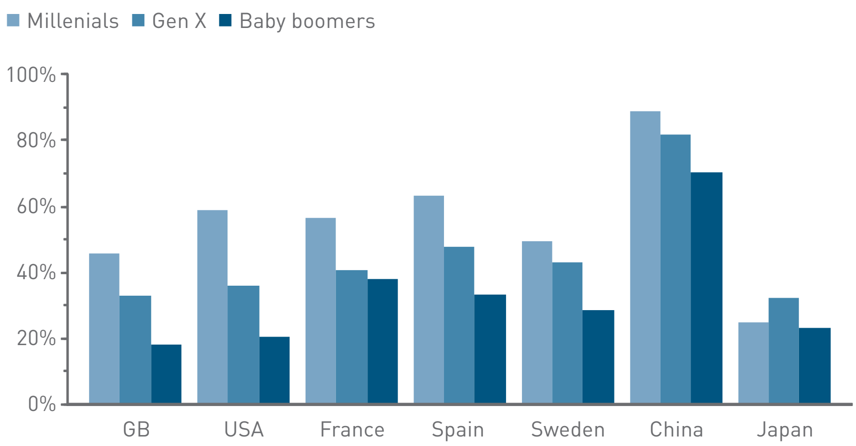
KELLY SAN FRANCISCO

"Brazilians going abroad will use social media channels to get to know more about where they heading to, so they'll follow local brands and people to see what they're saying about the destination and what they can do there for fun. It's a good way to get off the classical tourist route, but not too far off; to experience what the locals experience, but only things that can be palatable to the foreigner's taste as well."

TIAGO, SAO PAOLO

We can see this particularly in younger consumers, from quantitative findings. As above, we looked at the wider cohort who expressed interest in either or both of two questions asking about "a peer-to-peer lending service for household items" and "a ride share carpooling service" - both services dependent on engaging with a peer stranger for mutual benefit.

% who have used or are interested in a peer-to-peer household item lending service or a rideshare carpooling service | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

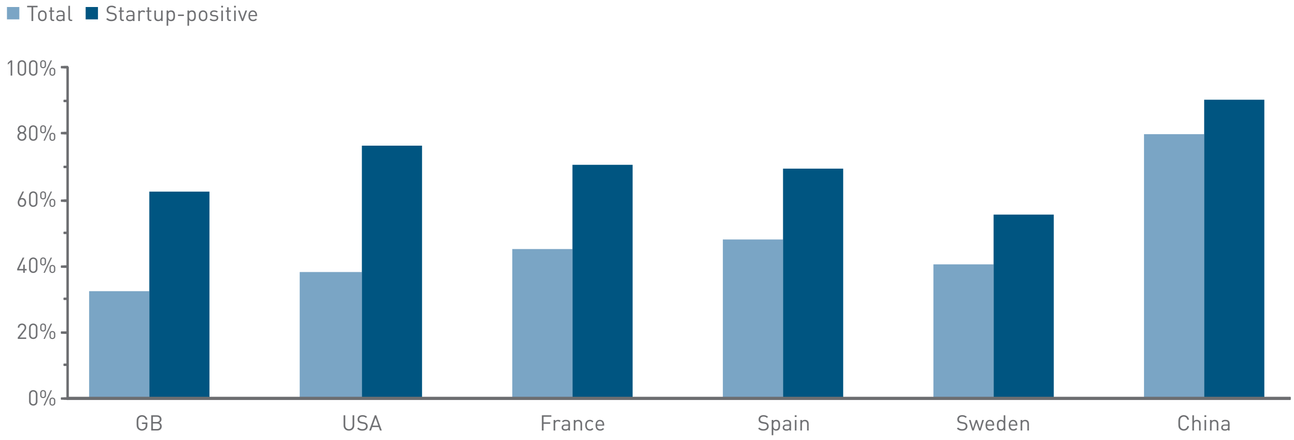
REGIONAL DIFFERENTIATION

Figures are high in China due to the popularity of ride sharing services such as DiDi taxi - a precursor to Uber Pool.

But across markets, high interest and uptake levels can be seen in Millennials in particular; Japan is the only exception. This belies a particular youthful attitude that is stereotypical of the Millennial generation: a market openness towards this level of shared service with peer strangers.

This is of course closely related to **Peer Power** above; accordingly, we see a similar correlation between those who have startup-positive attitudes and those who are interested in peer-to-peer services.

% who have used or are interested in a peer-to-peer household item lending service or a rideshare carpooling service | 2015



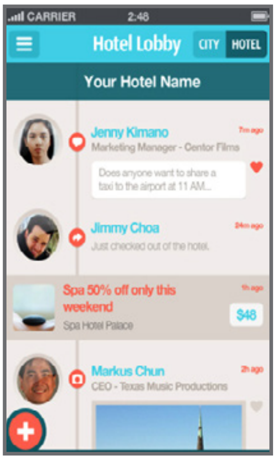
Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September
Note: Japan not shown due to low sample of sstartup-positive sentiment

We see this as particularly important to highlight for the travel industry as it opens up a large span of opportunities for travel providers to embed meaning into experiences whilst capitalizing on the peer-based trust and authenticity we have already examined.

CASE STUDY: LobbyFriend

The self declared 'first temporary social network app' LobbyFriend, received renewed attention in 2015 after a partnership with various US hotels.

Lobbyfriedn creates chat rooms for guests who are staying at the same hotel at the same time. The idea is to connect lone guests, especially business travellers, who would like to socialise with like minded people when travelling on their own. It can also connect guests at conferences of events in an informal setting. As the app is run by the hotels, when a guest checks out, they are removed from the system.



NOTEWORTHY STRATEGY?

Guests can see if other visitors would like to share a taxi, have a drink in the bar, or just share experiences and tips. Lobbyfriend provides a temporary network, connecting people who are in the same location.

Strangers can become a friend for a short period of time, facilitated by technology, new opportunities for expanding networks and discovery

"The option to meet up with people around common interests makes sense. And it gives hotels a way to communicate more directly with onsite guests for special offers and upsells. In that sense, it can compete with a hotel's own app, but not every hotel has one, and not every guest will want to use it even if they do.'

Guests can find someone with common interests to find a meal, watch a game, have a drink. ... And yes, a temporary social network can be used to form a temporary dating relationship, which is certainly going to appeal to some people as well.''

DOUGLAS RICE, CEO OF HOTEL TECHNOLOGY NEXT GENERATION SPEAKING TO USA TODAY, JAN 2015

"The cool thing about the Lobby Stream is that in terms of the interacting with guests and staff, anything goes . . . guests can ask questions, which will be automatically answered by the hotel concierge. They can also post a message telling other guests about a cool meeting spot. The app is not meant for people to get to know everything about you -- it's meant for people to not feel like they are alone in the hotel. We want guests to remember the hotel and city they are in so that they come back again."

JASON AYOUB, CO-FOUNDER SPEAKING TO IBTIMES, MARCH 2012

Real face-to-face peer contact is an excellent intersection of so many crucial consumer needs in travel: authenticity, adventure, spontaneity, learning, shareability and ultimately something to remember. We know that consumers are already facilitating their own connections to local communities abroad; if National Tourism Organisations were able to coordinate similar connections and communities, initial engagement and resulting satisfaction could rise.

Of course, this is not universal; China, in particular, may be a poor market for this particular attempt. But with social media finally in a mature enough stage for this to be logistically possible, careful positioning could lead to a warm response from travellers hailing from other markets.

At the very least, travel industry providers need not fear that consumer risk-aversion will lead to insularity; rather, we see that for the social media consumer, there is significant comfort that online verification genuinely affords.

IMPLICATIONS: JOURNEY & TRAVELLING

Journeys often contain social loose ends; whether it is a layover, a plane ride, or even a tube journey.

National Tourism Organisations and other transportation-related bodies could look into building flexibility into services that could allow for consumers to seek brief encounters with strangers as much or as little as they chose: asking solo airplane travellers their conversation level preferences when they book, so that they can be seated with like-minded solo travellers; marking out social or conversational train carriages in a similar manner to quiet carriages.

4.3 SOCIAL LIVING: IMPLICATIONS FOR TOURIST BOARDS

We recognise that many NTOs are clearly already active in the social media space, leveraging the connecting power of existing social networks both globally and locally; indeed, the travel industry as a whole has been very responsive to social media marketing trends in the past decade.

We therefore emphasise that this spirit should be continued, and that NTOs remain at the cutting-edge of engaging the social lives of consumers worldwide. This is particularly as the fragmentation of platforms and networks escalates; we see this happening already across the diverse territory of Europe itself, but this is amplified when taken across the globe, where many of the home-grown social media channels that consumers depend on may be entirely unheard of in Europe.

Two key areas of focus for further action both shorter-term and longer-term should be around enabling travellers to maximise what they share on social media and how they share it, as well as around how to incentives consumers to open up their social media streams to marketers such as NTOs.

MAXIMISING SOCIAL SHARING

Support and infrastructure to allow consumers to share their experience to the highest quality will continue to be of utmost importance. In the near future, however, consumers will begin to diversify their suite of shareable media. This is already seeing a shift towards the sharing and recording of digital objects more complex than simply images and text; for example, we have already seen video-sharing and livestreaming such as GoPro play a huge role for travel engagement. Meanwhile, Timehopping reveals that social channels are becoming the new photo album, further putting pressure on consumers to have high-quality records of high-quality moments. Clearly, this offers NTOs opportunities to become part of that behaviour – they should explore the option of helping visitors to create, host and share content that will create unique and long-lasting memories of their trips.

Meanwhile, a different form of maximising will be by providing opportunities for peer-to-peer experiences; this has the known value of facilitating the expansion of networks between travellers and locals, which encourages global networks of engagement and even repeat visits. But for the foreseeable short-term future, it also has the factor of being quite simply what consumers themselves deem to be socially valued and thus very shareable. In order to capitalise on the peer power trend, NTOs will not only need to collaborate more closely with grassroots local suppliers, and recruiting local volunteers as "real" voices - but also to do all of those things more visibly. Through explicit highlighting of these collaborations, NTOs may be better able to capitalise on the ongoing global love of "authentic peer-to-peer" culture.

In the long-term future, travellers could well be sharing their biometric reads from a great holiday - showing spikes of dopamine and adrenaline to 'prove' what a great time they had - or a VR recording they took themselves. NTOs will need to keep abreast of the latest developments in social networking, as new platforms emerge (or as existing platforms develop increased functionality – for example Twitter acquiring Periscope, a livestreaming app, and Facebook following suit soon after with Facebook Live). All will offer more automated and more in-depth, immersive and more authentic sharing options.

2. INCENTIVISING SOCIAL SHARING

It is unthinkable that NTOs will not want to access the detailed digital footprints of both visitors and potential visitors to their country – but the level of detail available to NTOs is determined by how much consumers are sharing in the first place. As we have seen, this is not simply a question of data privacy, despite how it is typically framed; there are clear social and personal pressures that are constraining consumers from their ceiling of social media usage.

In the longer-term future, however, consumers themselves will become increasingly aware of the value inherent in their personal details as well as their willingness to generate content. They will need to be convinced that this exchange is in their favour. Tools will emerge to allow consumers to control and limit access to their social networking profiles – and in the long-term, where we predict that concerns purely about data privacy will diminish, it is the social sense of privacy and self-consciousness that will cause hindrance. To counteract this, NTOs will need to incentivise sharing and openness by:

1. Offering financial rewards for shared data

2. Creating appealing, personalised services using publicly-available social media data to show consumers where the advantage lies for them

5. PERSONALITY WITHOUT PEOPLE

Digitisation and automation are inevitable in the long-term - but how are consumer attitudes affecting uptake of these services? Where do mentalities today stand around online remote service? In-person automation? And what are their resounding reservations?

We look at how consumer appetite for such services are warming - but slowly. Delving deeper, we see an underlying need for emotional understanding and security alongside the growing need for efficiency and immediacy that both stem from the consumer's control-seeking. This reveals three trends in two areas around the consumer response to digitised services:

5.1 **Depop!**, which shows just how strong appetite for automated services in the real world are between generations and regions - but more importantly, in which contexts there is a growing expectation for automation. We then bring special focus to a key area that exmplifies this challenge for the immediate future:

5.1.i **Cashless Society**, which focuses in on new payments innovations from around the world that inbound travellers to Europe will increasingly expect as standard - as well as what mentalities consumers particularly in the USA and Asia are beginning to hold around paying for purchases both on and offline.

5.2 **Computers Learn Human**, on the other hand, explores the many reservations still remaining about automated services from all markets - but also why this may change soon. We delve deeper into how consumers are responding to services that truly bring a human touch to machines, and why these innovations hold the strongest opportunity levels through two trends:

5.2.i **Emojinal Intelligence**, which explores the consumer need for emotional expression in a digital world - resulting of course in the huge proliferation of emoji usage seen in 2015, but also in wider overtures towards providing emotionally responsive channels online.

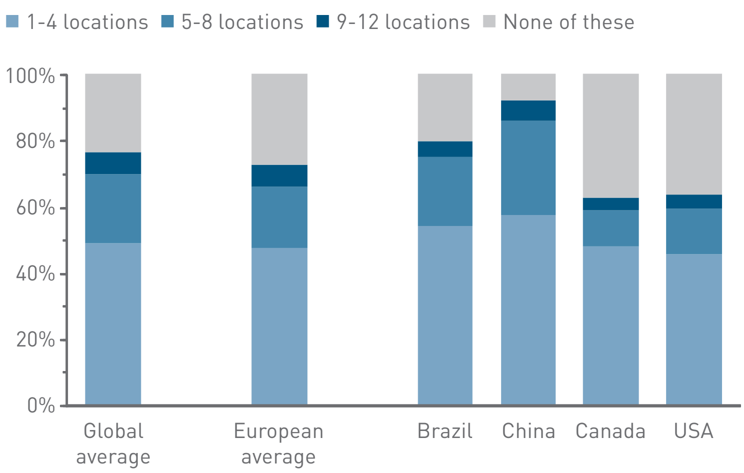
5.2.ii **Conversational Commerce**, which showcases a budding trend that seeks to combine emotion-led communication - the consumer's native language - with the emotion-led medium of the instant messaging platform, which proves to be increasingly the consumer's native habitat.

5.1 DEPOP!

From self check-in at the airport to self-service terminals at McDonalds, we see automated services slowly but surely making their way into an increased number of contexts. And whilst there is an ongoing dialogue about the merits of this so-called "depopulation" of services, we measure a global acceptance of these services in at least some locations:

In our research, we measured volumes of those who would prefer automated service to human service in a list of twelve settings and found that 1 in 2 global respondents would prefer automation in one to four different locations listed:

"In which of the following locations would you generally prefer to use self-service technologies (e.g. self-service check-outs or payment kiosks) instead of being served by a shop assistant/ worker?" (respondents allowed to select multiple options) | % selecting each number of different locations out of a list of 12 | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

RESEARCH METHODOLOGY:

Respondents were offered the following list of 12 locations and asked where they would prefer to use self-service:

- Banks
- Supermarkets
- Pharmacies
- Airports
- Train stations
- Post offices
- High street clothes stores
- Department stores
- D.I.Y / Furniture stores
- Electronic goods stores
- Pub/bars
- Fast food restaurants

Whilst few would prefer self-service in all of the contexts above, it is a majority that would prefer self-service in at least 1 to 4 of these contexts.

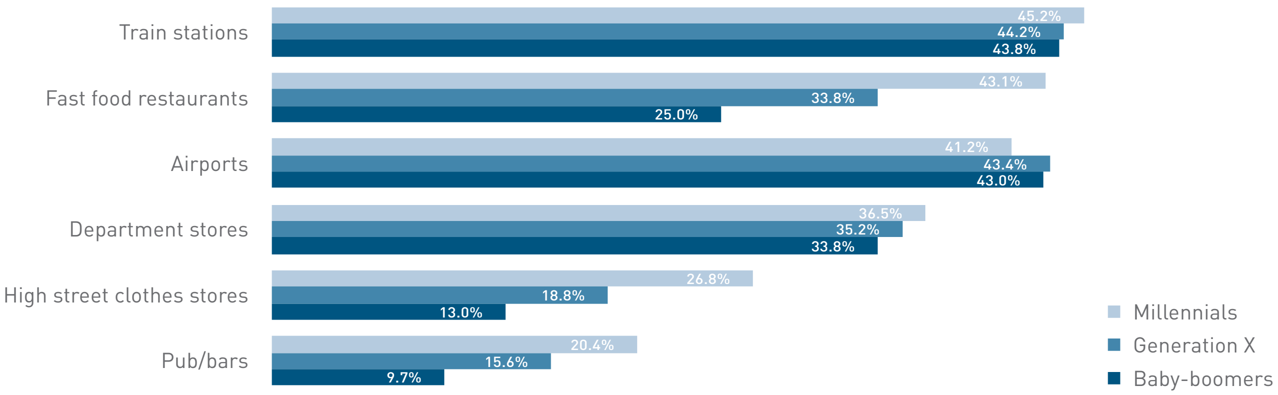
We can see that acceptance is much higher in Brazil and China; whilst part of this is due to our samples from these regions being relatively urban (particularly in China), it's also the case that urban areas in both countries have much higher levels of automation present already.

When we observe where self-service would actually be preferred, we find that banks and supermarkets are overwhelmingly majority choices - the first indicator that it is a coveted option during day-to-day contexts where familiarity levels are high and convenience is paramount. Following them are train stations and airports, where familiarity levels may not be so high, but where time-saving convenience is clearly a pressing demand.We see that overwhelmingly, automation is associated with efficiency. Whilst only 13% of global respondents would prefer self-service at a pub, 28% would do so at a fast food restaurant.

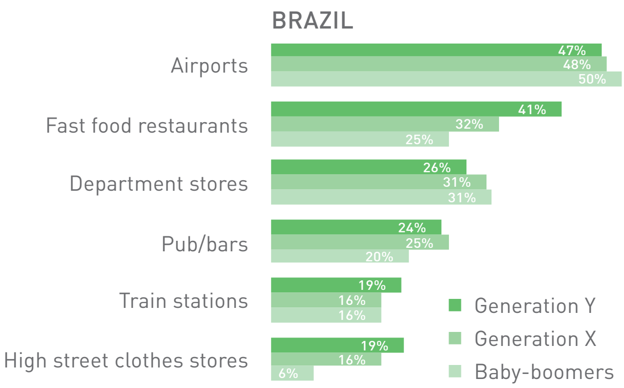
Looking at the pool of respondents who would prefer self-service in at least one of the twelve locations listed, we highlight preference for self-service in a selection of location options that are more relevant for travel. There are clear generational differences; however, the ranking order of locations between markets may prove more interesting.

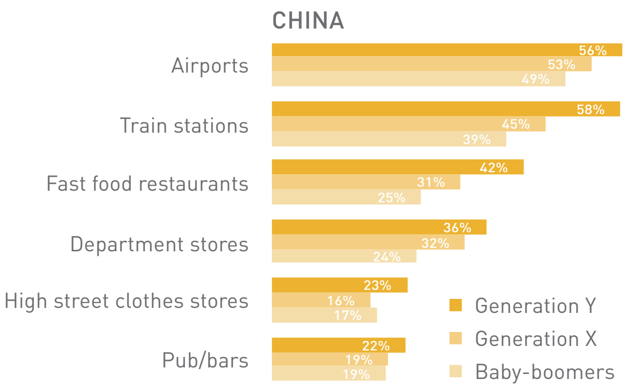
PREFERENCE FOR SELF-SERVICE IN VARIOUS LOCATIONS

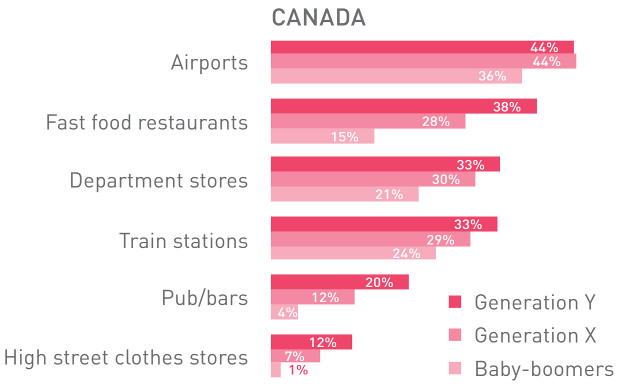
"In which of the following locations would you generally prefer to use self-service technologies (e.g. self-service check-outs / digital information or payment kiosks) instead of being served by a shop assistant/worker?" | % of those who would prefer self-service in at least one location who would prefer it in each location below | 2015

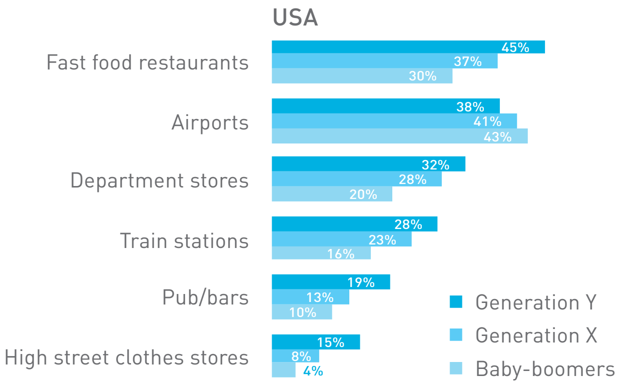


Source: nVision Research | Base: 25,258 online respondents who have used self-service technologies aged 16-64 (Indonesia & S. Africa 16-54), 2015 February









Source: nVision Research | Base: 588 – 2968 online respondents who have used self-service technologies aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

CASE STUDY: BLIP

BLIP beacon technology was installed in JFK airport to improve passenger flow using real time foot traffic information.

Beacons uses Wi-Fi or Bluetooth signals to detect footfall and provide information to passengers. Across the airport 13 monitors have been installed, from security to taxi queues, giving estimates of waiting periods for travellers.

NOTEWORTHY STRATEGY?

The goal was to inform travellers about how long their wait is expected to be, and use this information to control crowd agitation.

Staff are also alerted of when extra manpower is necessary to help avoid bottlenecks. The technology gives the airport the ability to plan effectively and efficiently optimize operations and the consumers journey and experience, all based no real-time statistics.

"It continuously updates. People like to know how long they are going to wait in queues. Nobody likes to wait in lines and signage helps to manage expectations."

DARYL JAMESON, VICE PRESIDENT OF JFKIAT, WHICH RUNS TERMINAL 4

"We're probably reaching 19.5 million passengers this year in total. It's a big operation, which is why we're introducing innovations to enhance the operations of the building. This new system will help us manage and eliminate problem spots within the facility, and sharing the processing time with our travellers will provide them with peace of mind so they may continue to expect a pleasant travel experience. Additionally, data from travellers' phones could eventually influence future airport design."

**GERT-JAN DE GRAAFF,
PRESIDENT AND CEO OF JFKIAT**

"For too long, passengers were left on long lines at the airport, with no information. Countdown clocks at JFK Terminal 4, however, are the kind of modern technology that infinitely improves the passenger experience and helps advance the airport into the 21st century. Now, it is time for the other NY and NJ terminals to bring this critical amenity to their passengers."

JOE SITT OF THE GLOBAL GATEWAY ALLIANCE

It is clear that the biggest selling point of automated service is the efficiency - no surprise, given the levels of control-seeking we are seeing from consumers.

We posit that in future, heightened expectations for automated services will reign. Particularly from those markets with consumers whom are well-adjusted to the presence of humanless services, we predict that demand for automation to speed up banal processes will increase - and that eventually, the absence of automated efficiency will become a very real pain point in many contexts.

This is particularly relevant to travel as these contexts are often journey-related: airports, trains, underground transportation, and so-on. In future, there will be even fewer limitations; we expect a similar level of automation to infiltrate efficiency-based queries in less efficiency-based contects such as hotels and attractions as well.

But even more than that, we see that the long-haul travel industry may be the first to be expected to engage with leading technologies by nature of it being a global industry in a demand-based economy; disparities between markets when it comes to levels of technological advancement will hit inter-market travel far harder.

This poses a unique challenge to Europe in particular - especially with the forecast rise of travellers coming from East Asia and the USA, where much of this technology is at its most advanced. Wherever they are perceived to have power, local authorities in charge of infrastructure will be held responsible for the absence of maglev trains or driverless cars; world-leading hotels will be questioned for lack of robotised concierge service.

Qualitative research reveals that inefficiency as a pain point may be not so far off as well - particularly from China, where there is a clear perception that technologies abroad are often lacking in accommodations to Chinese consumers. But even from other markets, there is a clear sense of growing expectation which will need strong management in future.

"The Asian market is leading the way in technology. The challenge is to make it relevant to international travel. ... For example, while on international travels, we need easy access to all Chinese banks, to our Chinese apps, etc ...."

XIAOLEI, SHANGHAI

"I've heard about these robots they have in hotels and they sound pretty good to me. Having to deal with tipping people for bringing towels to your room can just be annoying."

MALE, 29, USA

"With simpler functions or tasks, it's definitely easier to deal with a machine than a person who may still turn out to be unhelpful. The more technology expands, the faster and easier it's becoming for machines to troubleshoot and answer any questions or problems consumers have."

SAHRISH, TORONTO

"[When] I deal with automated systems, I would rather cut to the chase, get my business done and move on with my day."

KELLY, SAN FRANCISCO

IMPLICATIONS: IN-DESTINATION

Some hotels are already beginning to test semi-automated service - and crucially, we see that it tends to be for rote requests such as needed fresh towels or ordering room service.

This indicates that whilst depopulation will not occur throughout all levels of the service industry - at least for the foreseeable future - it will begin to address some elements of it. Providers must remember that as automation is able to provide more efficiency to consumers, consumers will expect to see it even in unfamiliar contexts.

CASE STUDY: Virgin Hotel Chicago

Virgin Hotels opened its first branch in Chicago together with the launch of its new concierge app, called Lucy, which aims to integrate guests' mobile devices into their hotel experience.

Lucy acts as a personal hotel assistant who, when you ask it to, will arrange a multitude of different things, from spa reservations, to extra pillows, to a valet service, all without you having to talk to anybody. The app can also provide sightseeing advice, as well as consumers being able to stream personal content and control their rooms thermostat all with the help of Lucy.

NOTEWORTHY STRATEGY?

If desired, consumer can link Lucy to the hotels 'preference program', which asks customers to answer a few questions to ensure the experience is tailored and customised to their likes. An example being, they stock the minibar with guests' favourite drink.

The app works as a one stop place for visitors to contact any of the hotels services, with it functioning as a human, who answers all of your needs.

Our mobile app Lucy, will put guests in the captain's chair. The technology will be smart and intuitive, and light the way to a more immersive experience within the hotel. We can't wait to build upon the platform as the brand and our guests' needs grow.

Lucy makes the guest feel like they're dealing with someone rather than a piece of technology. Live Chat, for example, really doesn't change what we do. It changes things on the guest side. You don't have to wait for someone to pick up the phone, and some people will still be more comfortable picking up the phone. Now, you can order room service on your way to the hotel too without having to call someone. We're looking to grow the app and the services it provides as the devices and way guests use them change."

DOUG CARRILLO, VICE PRESIDENT OF SALES AND MARKETING, VIRGIN HOTELS

For all of the modern consumer's mobile control tendencies, these control habits ultimately depend on elements outside of their control - from signal failure to plug socket incompatibility.

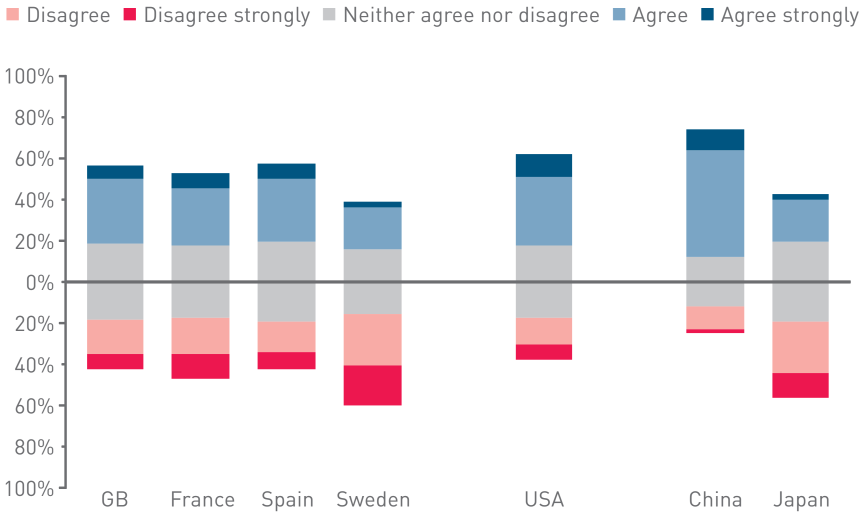
Tomorrow's consumers will almost certainly demand a much more complex, nuanced portrait of convenience than before - and that their local technologies be accommodated abroad. Immediacy will become an expectation rather than a benefit, and increasingly there will be added demands surrounding seamlessness and simplicity. This gap between inbound expectation and present reality within European destinations is a recurring theme throughout this section.

5.1.1 CASHLESS SOCIETY

On a global scale, NFC-driven payments - often known as "contactless" - are the most established of the emerging technologies in this chapter. The complex territory of payment is undeniably creating real waves in how consumers are perceiving immediacy and convenience; the challenge, however, comes from the fact that disparity between regions is large.

We first start where there is the most common ground: the world of e-commerce. Innovation has been relatively balanced across markets due to the advent of global e-commerce. We can see a baseline desire for extremely high-level convenience from a significant minority of consumers when it comes to paying for their their online shopping:

"How strongly do you agree or disagree with the following statements? I would like to be able to pay for things online with just one click" | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

REGIONAL DIFFERENTIATION

It is only Sweden and Japan who show strong levels of disinterest here. Notably, the two most enthusiastic markets sampled are indeed focus markets: the USA, with approximately 45% who either agree or agree strongly; and China, where not only is this proportion as high as 2 in 3, but where only 12% disagree and a further 2% disagree strongly.

This has implications for booking and planning - where particularly after they have spent so much effort in the research phase, consumers will be loathe to run into difficulty when it comes to payment.

IMPLICATIONS: BOOKING & PLANNING

Of course, almost all booking is cashless already - and has been for some time. But this has only heightened consumer demand for increased convenience, as services worldwide are allowing customers to split payments across different methods or between different people.

This could be a future challenge from markets like China and the USA - China having a very advanced payment industry, the USA showing signs of developing one, and both whom are simply behemoth countries in their own right with plenty of local travel options that feel long-haul enough. The inavailability of flexible payment options from European destinations in tandem with local innovation that does allow it for domestic travel options - this could be enough of a detractor to deter or delay prospective long-haul tourists.

"Many people now get their flight tickets, accommodation etc online, where they can pay by card or using other cashless methods."

CARRIE, SHANGHAI

"indications of this trend catching on can be seen with the popularity of apps like Venmo [a free money transfer app to split bills between users] or services like Uber, which are both incredibly easy to use and popular."

KELLY, SAN FRANCISCO

E-commerce will continue to balloon, with higher sales volumes reported as being made online every year; meanwhile, a huge diversity of everyday consumption categories are "naturalising" online - even ones which once felt intuitively physical such as food grocery. And from the consumer's individual perspective, an increasingly significant proportion of transactions that they make will simply no longer involve cash - driving a sense of clunkiness and backwardsness in cash even amongst those who may not have had strong aversions to it.

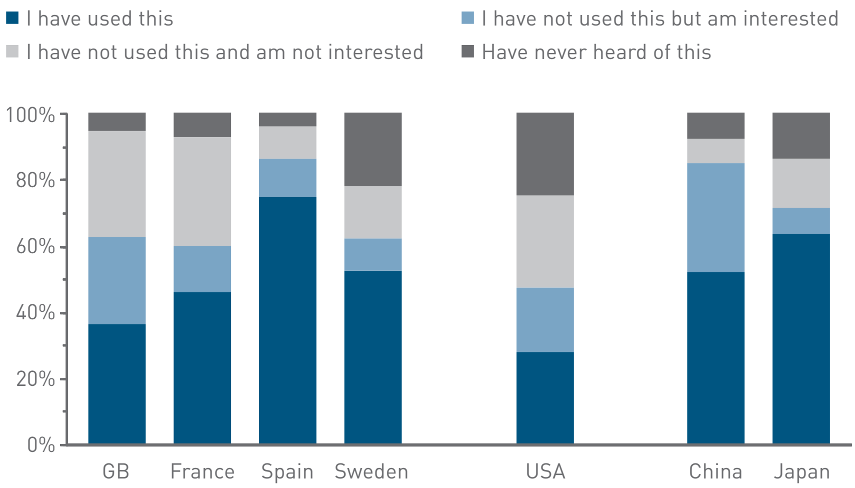
What this means, however, is that tomorrow's consumers will almost certainly demand a much more complex, nuanced portrait of convenience than before now that payment is simply a short tap away - and that their local technologies be accommodated abroad. Immediacy will become an expectation rather than a benefit, and increasingly there will be added demands surrounding seamlessness and simplicity.

On top of this, currency conversion is seeing a quiet upheaval as well. New services such as **TransferWire are** not only saving consumers pennies across the globe, but perhaps more crucially are alerting them to the fact they were missing in the first place. Demand for cheaper, quicker and easier cash conversion will also grow in coming years.

Of course, from the industry's perspective, making this upgrade is not quite so simple. So far, payment networks and methods alike have largely been determined by purchase context and infrastructure. Innovations have largely been controlled by behemoth industry players; comprehensive understanding of how electronic payments work has been nil. Mired by infrastructural challenges, international incompatibilities and other supply-side factors, the world of cashless payments is often largely outside of the control of business practicioners and governments themselves.

But it is physical-world innovations that have truly accelerated cashless expectations, and which will present the biggest challenges to tourist boards and travel providers. Contactless card payments are a method with which we see the largest gaps in uptake between countries:

"Which of the following payment methods have you ever used and which would you be interested in using in the future? Used a contactless card" | 2015



REGIONAL DIFFERENTIATION

Across different markets, there is a considerable amount of variation.

There are plenty of implications here for managing consumer expectation. From a foreign consumer's standpoint, assuming that different countries within Europe might have different systems available could be unintuitive - particularly given the unified currency in many cases.

Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

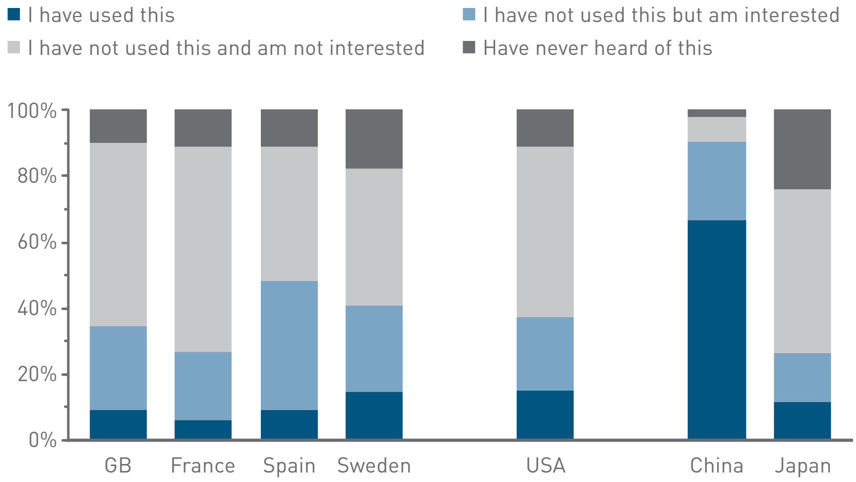
It must be noted that Brazil is an exception. According to qualitative findings, there is availability but low uptake, and that this may primarily be a question of security:

"Why would I want a debit card free of password in a country where mugging is part of our daily routine? Someone could just snap it out of my hands, go on a contactless buying spree before I could have the chance to cancel the card. I read that contacless has been available to Brazilian customers of the biggest national banks since 2013, but I never once saw anyone using this technology anywhere."

TIAGO, SAO PAOLO

However, looking towards the future, we see that the rise of mobile payment technology in China and increasingly in the USA may present the biggest challenge to Europe.

"Which of the following payment methods have you ever used and which would you be interested in using in the future? Swiping your mobile phone to pay" | 2015



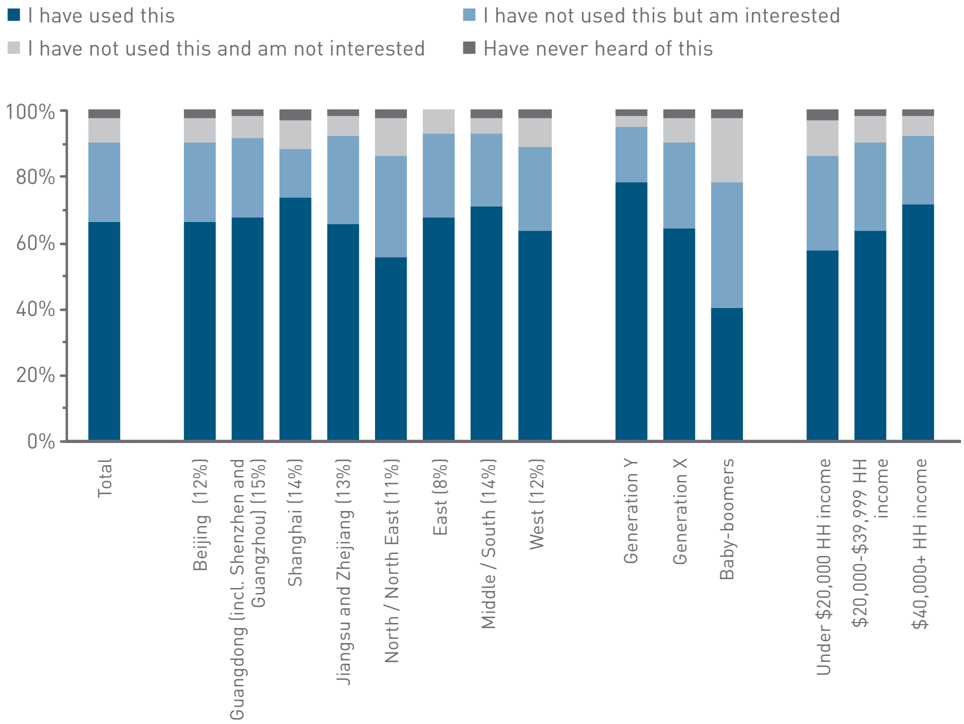
Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

REGIONAL DIFFERENTIATION:

China's high uptake here cannot be underestimated. Particularly from affluent urban areas - areas with high volumes of long-haul travellers - it is entirely normal for middle-class consumers to pay for restaurant bills and personal shopping alike using WeChat.

Particularly in China - where digital wallets were introduced by **AliPay** a distant 12 years ago, and where dominating social media behemoth **WeChat** released its own app-based mobile payment system in early 2013 - the ability to pay with a mobile phone is one that has been embraced by virtually all citizens with smartphones regardless of age group or demographic.

"How strongly do you agree or disagree with the following statements? I find it hard to clear my mind of thoughts and concentrate on the present" | 2015



Source: nVision Research | Base: Global average (1000-5000 online respondents per country) aged 16-64, 2015 February

FOCUS ON: CHINA

We can see that uptake is huge in China - largely irrespective of region, age or income. Lower uptake figures are only found in the oldest consumers, but even then there are high interest levels. Meanwhile, 2 in 3 coming from China's most affluent cities have done this already.

Overall, only 2% of respondents had not heard of this method of payment.

"The Cashless Society trend is very established in China. Nowadays you can pay with mobile devices for almost everything through AliPay, WeChat etc."

XIAOLEI, SHANGHAI

"Thanks to Alibaba, Chinese people have been used to AliPay for 12 years. WeChat started WeChat Payment 2 years ago."

CARRIE, SHANGHAI

Fluid mPos terminals - mobile payment acceptance terminals that could turn any shopkeeper's own smartphone into a payment acquiring device - became common in even the smallest of corner shops by 2014 as NFC-enabled phones became popular. As a result, WeChat Pay has become so normalised that Chinese consumers are more likely to have used their mobile phone to pay for something than a contactless card; at the time of writing, WeChat's parent company Tencent Holdings reported in a financial review that bank handling fees related to WeChat Pay amounted to over 41M Euro just in the month of January 2016.

So far, **Cashless Society** has not posed a threat so much as a missed opportunity to the European travel sector. Whilst some of our previously seen qualitative findings have suggested that there is a level of impatience with lack of accommodation for Chinese systems abroad, this feeling is currently very limited; a similar level to the annoyance around the inevitable need to exchange currency.

And from the industry's perspective, making this upgrade in Europe is not quite so simple. So far, payment networks and methods alike have largely been determined by purchase context and infrastructure. Innovations have largely been controlled by behemoth industry players like Visa or SagePay. Meanwhile, European regulation is significantly different to that of American and Chinese counterparts, with many more requirements for authentication security; for European tourist organisations, this may be an important regulatory debate to keep pulse on.

However, two significant plays from the private sector may change this on two fronts: by expanding the market of expectant cashless consumers, and also deepening this expectation from Chinese consumers. As a result, anything tourist boards can do to facilitate local uptake will likely be an important step this year.

With the former, we see that the launch of Apple Pay last year has helped build global momentum around this trend. In large part because of recebnt innovation from Apple Pay, PayPal and Google Wallet, we saw notable mention of the trend from our American respondents:

"We have been a market moving towards a cashless society for some time, with online shopping growing increasingly popular and the ability to pay over apps with the touch of a thumb making things much easier and quicker than they used to be. Also, the US market is constantly moving in the direction of automation, rapidly replacing humans with computers who can do their jobs better, cutting back on costs and keeping things online. US consumers want things to be easy and pain free, and they want to be able to get it done on-the-go. It's all about wireless connectivity."

ANNABELLE, NEW YORK CITY

"I like the idea of being able to travel without any cash. It seems like there'll be way safer ways to travel in future."

FEMALE, 26, USA

Meanwhile, a full-scale mobile payments revolution may erupt into the travel industry in 2016: off the back of Apple Pay launching across the world, WeChat declared in February that it is moving to collaborate with overseas providers to capture Chinese tourist purchases by issuing foreign vendor accounts. This initial launch has support for nine currencies, including British Pounds Sterling and the Euro - allowing Chinese tourists to pay instantaneously in that currency from their WeChat Pay accounts without having to exchange, and allowing foreign vendors trading in GBP or the Euro to accept payments in Chinese Renminbi or Hong Kong Dollars.

If uptake is inconsistent, **Cashless Society** may well become a force to contend with from Chinese travellers who will come to expect more and more.

Wherever possible, European travel providers ought to help enable new payment services in order to give local providers a cutting edge - bearing in mind that cashless expectations will only get more and more intense as time goes on.

1. 2016 Tencent Holdings Ltd, http://www.tencent.com/en-us/content/ir/an/2016/attachments/20160317.pdf

IMPLICATIONS: JOURNEY

Airports are amongst the most popular options for automated services, as we have already seen in **Depop!** - interestingly, airports also show the least amount of Millennial skew of all the locational options. Many airports already have some levels of automation at check-in; meanwhile, further innovation is being tested as we have seen in the previous case study.

This suggests that airports could be an excellent target for primary installation of cashless services, as it might be a setting where providers could avoid alienating a single demographic group by accident. On top of this, there is already an established precedent of airports being the hub for dealing with all things international payment-related from currency exchange to tax reclaim.

Given the considerable amount of commerce already present in international airports but also the barriers sometimes caused by the natural time pressures present, we also see that a considerable amount of commerce could be enabled by allowing for faster payment mechanisms such as contactless or mobile.

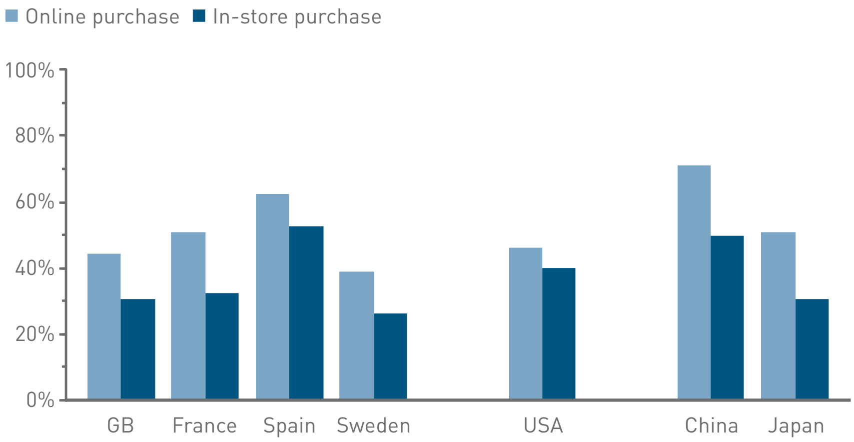
5.2 COMPUTERS LEARN HUMAN

But for all of the technological innovation available to us, there is still quite a long way for automation to come before it truly competes with human service. Nevertheless, attitudes are shifting as innovation slowly continues to pick up pace - attitudes which are in turn shaping and accelerating innovation itself.

In this second area of **Personality Without People**, we look at where existing attitudes are limited in patience for automated services - but also where demand is clearly rising for computers to indeed "learn human".

This is particularly important for the research and booking stage. In this area, there is plenty of new opportunity for brands to further energise an already crucially successful online world - with potential not only to convert more click-throughs, but also to better merge discovery and booking together in a way that could seriously benefit tomorrow's world of complex, stressed but control-prioritising consumers.

"Have you ever started buying something online but then given up in the last six months? (E.g. started an online payment process but did not finish it)" | "Have you ever given up on buying something while shopping in a store in the last six months?" | Within those who have made online purchases | 2015



Source: nVision Research | Base: 5667 online respondents (have purchased something online in the last 6 months) aged 16+ (China 16-64), 2015 September

DEEPER DIVE:

Of course, there are plenty of reasons why there is a disparity here; the world of e-commerce has fewer pressures to buy and intrinsically is easier to walk away from.

We followed this by asking why they gave up on purchases. The most popular single option in both online and offline purchases was "I changed my mind". But whilst 15% changed their mind in-store about a purchase, it was 20% who did so online - perhaps speaking to the power of human service.

We begin by observing above that the volume of those who have quit mid- purchase is higher online than in person. Notably, the sample shown is already of those who have made online purchases; when looking at the total sample, the proportion who have quit mid-purchase in-store is even lower in all countries.

When looking at why respondents gave up online purchases, we found that technological difficulty did amount to a fair volume of the reasons.

"Thinking about the last time you started buying something but gave up, why did you do this?" | % who select each, amongst those who have given up on a purchase before either online or in-store | 2015

		GB	France	Spain	Sweden	USA	China	Japan
I changed my mind about what I was buying	Online	35%	33%	31%	25%	41%	41%	47%
	In-store	33%	47%	48%	27%	47%	33%	48%
I decided to see if I could get the product at a better price elsewhere	Online	24%	28%	27%	20%	31%	33%	33%
	In-store	20%	27%	27%	22%	30%	37%	34%
I couldn't find an answer to a question I wanted to ask before buying	Online	10%	10%	10%	8%	11%	16%	10%
	In-store	8%	6%	6%	5%	9%	10%	12%
Preferred payment method unavailable / payment couldn't be processed	Online	12%	17%	20%	29%	17%	18%	20%
	In-store	8%	8%	7%	7%	12%	13%	4%

Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

We see that some issues impacting click-through are ones that were likely to have simply been too complex to be solved without human assistance.

Our qualitative research confirms this, with consumers from around the world describing a similar theme of pain points:

"A human being is always more reliable than a robot. They might become part of the offerings of hotels, museums and other tourist venues, but I don't think it would be a huge selling point."

CARRIE, SHANGHAI

"I still don't really trust computers to do what humans can do, to be honest. It worries me. But I love the automated check-in at the airport!"

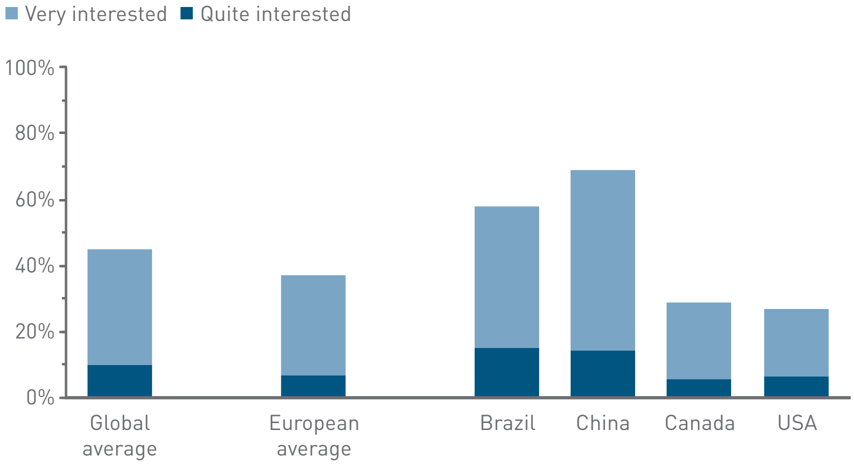
FEMALE, 29, USA

"There are certain improvements related to these trends, for example checking in online before a flight, booking tickets to an attraction on the internet ahead of time, making restaurant reservations on OpenTable... but any type of pre-paid booking that may need adjustment is such a hassle and the [automation] in any of these situations is plain frustrating."

KELLY, SAN FRANCISCO

Unsurprisingly, the demand for more fluent and complex service provision in the online space is felt across markets, with a global average of just under 1 in 2 reporting interest in intelligent online shop assistance:

"How interested would you be in any of the following services? An online shop assistant that I could talk to for advice as I was browsing products online" | % who are very interested or quite interested | 2015



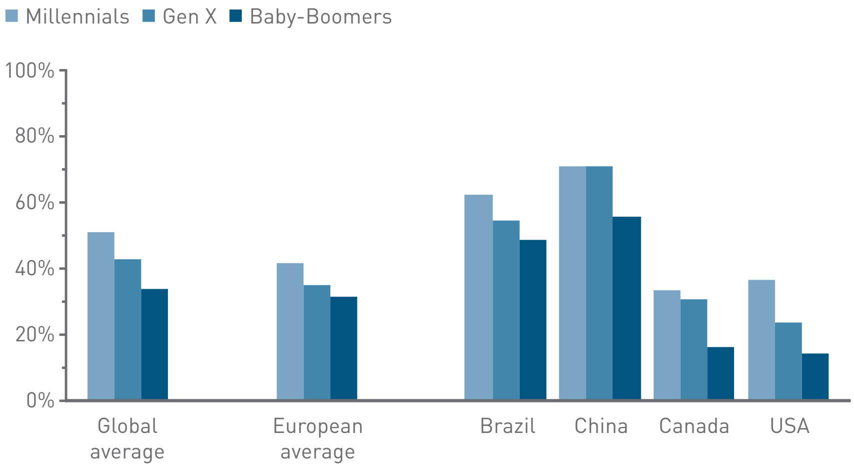
Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION:

From our qualitative findings, we know that there is a strong cultural precedent in both Brazil and China for high levels of dialogue between customers and shopkeepers - partially when it comes to negotiating price, but also partially out of a more conversational culture in commerce altogether.

This demand increases to a slim global majority within Millennials - and even 1 in 3 Baby-Boomers.

"How interested would you be in any of the following services? An online shop assistant that I could talk to for advice as I was browsing products online" | % who are very interested or quite interested | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION:

Particularly in the USA, we see a strong spike in interest amongst Millennials.

However, in this case, it is also worth noting that Gen X are relatively close to Millennials in some places - as seen in China and Canada. If we assume that those who are interested eventually do try out these services in the coming years as they are made available, this would result in a sizeable proportion of tomorrow's oldest population being equipped with this expectation.

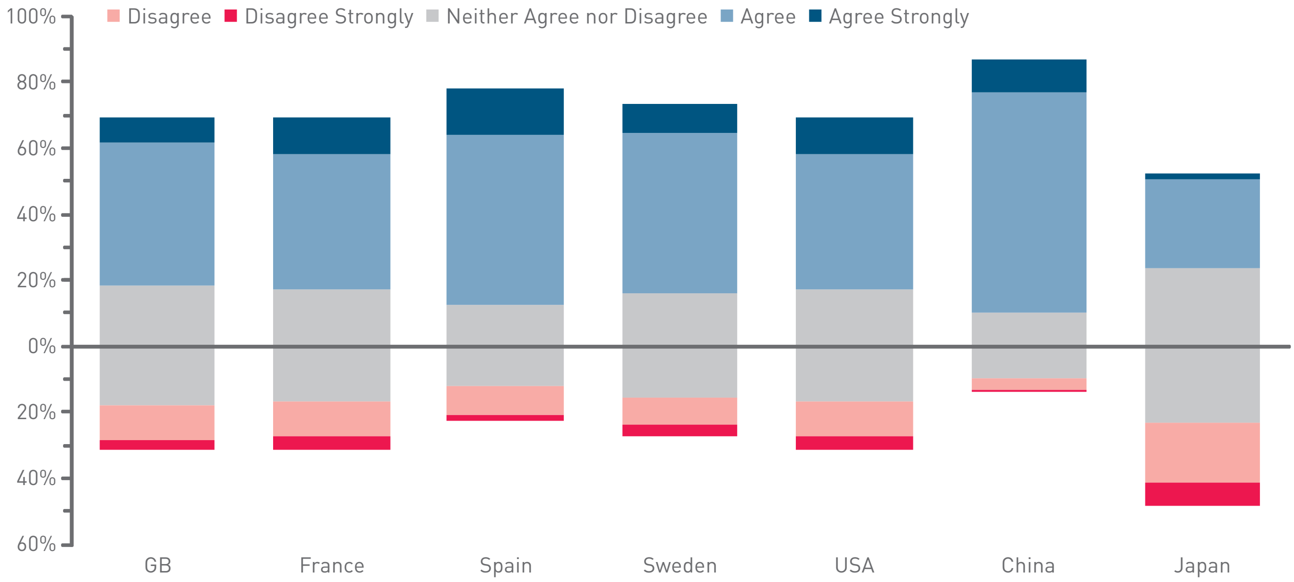
IMPLICATIONS: INSPIRATION & DISCOVERY

Researching for holidays can be extremely challenging prior to the actual booking process – but is a crucial stage of the consumer journey on their path to going on holiday. Particularly for National Tourism Organisations, finding ways to engage long-haul consumers at the point of discovery may become increasingly crucial in future to cement their interest.

Much could be done in the area of answering questions, or giving consumers a flavour of what they could be in for using simple conversation; content media has allowed organisations to showcase their destinations better than before, but as we have already seen in Social Living, sometimes it is conversation or word of mouth that is the most effective in engaging and holding attention.

And ultimately, there are existing demands for flexibility which consumers have always had but been unable to fulfil - such as price negotiation.

“How strongly do you agree or disagree with the following statements? When shopping for products or services online, I would like the opportunity to negotiate the price with the supplier” | 2015



Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

“Brazilians are very much accustomed to the idea of being served by another person and not by a machine, because you can always NEGOTIATE [sic] with another human being, but never with a machine, be it for a cheaper price, more service/product than what you paid for etc. The idea that you can always get more if you know how to ask for it, is ingrained in our culture.”

TIAGO, SAO PAOLO

But with all we have seen so far, it is likely that the very gesture of offering price negotiation itself will be what is so warmly embraced by consumers – rather than the sheer functionality of it. Particularly as the world of e-commerce is nothing if not ruthless when it comes to price comparison, any added benefit that price negotiation gives is likely to be just as emotionally rewarding as it is financially.

IMPLICATIONS: IN-DESTINATION

Many European attractions and activities do not have flexible price models that allow for any kind of negotiation – but often do have back-end processes that calculate when discounts or offers can be made based on seasonality, market demand and so on. But with third-party services looming to aggregate and compare services across the board, both consumer and provider could potentially benefit from externalising some of these price determining back-end processes into a front-end framework that looked like negotiation.

CASE STUDY: stayful

Hotel booking company Stayful links customers to independent and boutique hotels in real time, allowing them to negotiate the price of their stay. Users can only book rooms for the next month

Consumers can search for hotels by location, and are offered a 'buy it now' price which lets them book a room at the normal market price, reserving it immediately. They are also offered a 'bid' option, where they can make an offer on the price of the room, with the hotel being able to accept, reject or make an alternative offer.

In 2014 Stayful released a mobile app version of their website, allowing travellers to book boutique rooms in real time from their smart devices.

NOTEWORTHY STRATEGY?

The Stayful app is intuitive and adaptive to each users requirements, if a price match can't be found, it suggests similar hotels to the consumer.

Stayful lets users select a variety of emotional adjectives to describe their preferred type of hotel, such as party or charming, enabling the choice of hotel to reflect the personal choices of individual travellers. These customisation possibilities engage with the consumer, making them feel that the app understands their deeper feelings.

The bidding function also gives consumers a greater feeling of control – leading to higher perception of eventual value. In reality, accommodation providers are likely to have already decided on discounts or offers elsewhere; however, by posing it to consumers as something that they can suggest, there is a greater element of human negotiation built in.

"Stayful is about filling a need for both travellers and independent boutique hotels. For the first time ever, we've made it possible for consumers to search all boutique hotels in just one place. They have the opportunity to find a more unique travel experience at a one-of-a-kind hotel, and also the chance to bid for a great price that they're satisfied with. In turn, hotels that might otherwise have empty rooms can now offer new guests savings on their stays that they couldn't find anywhere else.

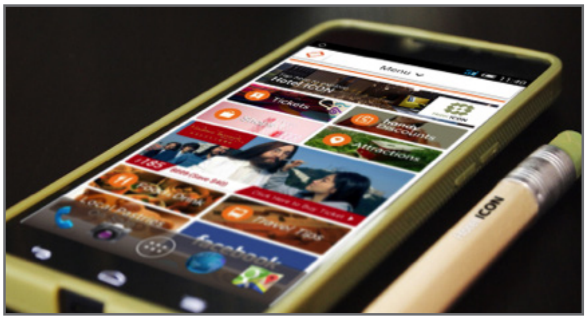
Business and leisure travellers alike have been looking for a more unique experience. Stayful not only lets them discover all these boutique hotels on just one site, rather than having to scour the Internet, but it also gives them a great price.

The ultimate goal is to help travellers enjoy the destination instead of spending time on unsatisfactory experiences, like frustrating customer service or waiting in lines."

CHERYL ROSNER, CEO AND CO-FOUNDER SPEAKING TO LUXURY BRANDED, NOV 2015

As technology improves to allow better remote communication between brand and consumer, consumer expectation will inevitably rise. Of course, in the short term, not all solutions will be completely automated – but as intelligent chatbots become not only more pervasive but more nuanced, the travel industry could stand to seriously benefit from embracing innovations as there is clearly an existing demand that has yet to be responded to.

CASE STUDY: ICON hotel in Hong Kong



ICON Hotel in Hong Kong provides a handy smartphone for guests to use, in each of its 262 rooms. The phones are ready to use when guests arrive, and all have unlimited international and local calls, unlimited 3G data and Wi-Fi tethering capabilities, as well as city guides, metro maps, promotions and travel apps such as currency converters and news services.

Guests are allowed to take the phone around the city with them, facilitating easier communication and discovery around the city, as well as internet access at all times.

After checking out, each phone is completely wipes, erasing all data and restored to factory setting, to ensure safety and privacy for its users, as well as being sanitised.

NOTEWORTHY STRATEGY?

By providing smartphones in all rooms, ICON Hotel is enabling travellers to be able to discover many things the city has to offer, without having to consult a human.

The technology on the phone enables easier communication between tourists and locals, by having pre loaded addresses, such as the hotels, to show taxi drivers, in addition to facilitating visitors to make the most of offers and promotions they might not have known about.

The phones aim to help tourists make the make the most of their time abroad, and feel like they are able to stay connected whilst travelling.

"Our partnership with Hotel ICON and the level of customization and care that they have placed into the creation of their handy x Hotel ICON in-room solution is a testament to the dedication Hotel ICON give to each and every one of their hotel guests. We're proud to partner with such a committed hotel to essentially extend Hotel ICON's service footprint across the entire city."

TERENCE KWOK, CEO OF HANDY IN A PRESS RELEASE, MARCH 2014

"The five-star hotel market in Asia is becoming increasingly crowded with imported international brands. After initial on-site research, we felt a phone would define a unique brand enhancement idea, and reinforce our value for money positioning and attributes simply because Hotel ICON is about innovation."

RICHARD HATTER, GENERAL MANAGER OF HOTEL ICON IN A PRESS RELEASE, MARCH 2014

5.2.i EMOJINAL INTELLIGENCE

Looking more broadly than automation momentarily, we see an ongoing expectation for emotionally intelligent response from brands.

Our qualitative results reflect this, in statements oftentimes couched within existing reservations about automation. For so many, being able to specifically have a conversation is imperative in any interaction with a brand - particularly about more emotionally-relevant issues such as making complaints, needing reassurance, or even feeling welcomed or accepted.

"I very much stray away from replacing human interaction with machines, especially working in a hotel where it is obvious how much human interaction is valued and craved... every review that I read on TripAdvisor mentions Customer Service. How can something so valued ever be replaced. People gravitate towards destinations touted with great customer service, people choose travel based on these accolades."

KELLY, SAN FRANCISCO

"people are used to getting travel advice from travel agencies rather than from online sites like TripAdvisor. Psychologically people prefer face-to-face clarification, especially because they think that if they pay the money, they will receive good service with whatever prior to the trip or on the trip!"

MR. JIAYI BIAN, REGIONAL BD MANAGER OF ROYAL CARIBBEAN INTERNATIONAL

"The automation offered at travel destinations needs to be working for Chinese travellers in terms of language and culture. ... to make Chinese travellers not just a big group of special high spending people, but a true integrated global group. This certainly requires much of the travel industry to explore Chinese culture, habits etc more to maximise the success of these tech developments."

XIAOLEI, SHANGHAI

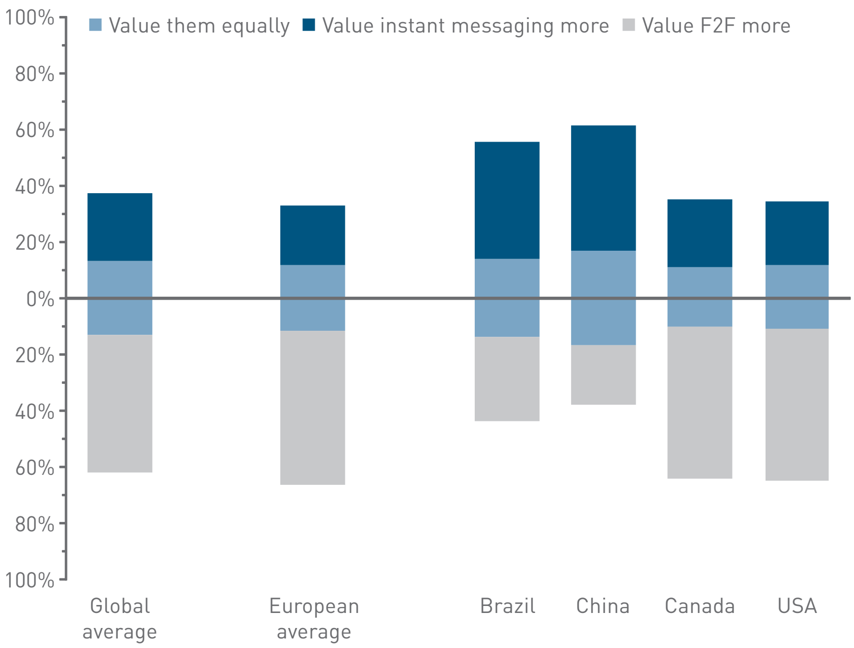
But even though the need for emotionally intelligent conversation and response-based acknowledgement may not be new, consumers are certainly showing new expectation for which channels these conversations are located on.

Whilst completely artificial intelligence is still nascent enough to cause discomfort, we find that digitization itself is no longer so much of a pain point as it once was - and certainly no longer considered antithetical to two-way conversation. We are seeing the dawn of a global population that no longer see the online space as coldly digital - but a space which is rife with expression, connection and indeed emotion.

The name of this trend of course references the explosion of "emojis" onto the global stage in 2015 - leading to the Oxford English Dictionary naming the laughing face emoji Word of the Year, and also declaring "emoji" to be the fastest growing human language on the planet. But whilst the success of emojis certainly proves underlying demand, the trend itself describes a much wider shift: the latent consumer demand for more complex, multi-faceted ways of expressing themselves in completely digitized environments.

Our research in this area starts by examining attitudes around "socialising with friends and family face to face" in comparison to "socialising with friends and family over instant messaging", and how the two activities differ in importance to consumer entertainment. Globally, it is exactly 50% who either value socialising over instant messaging equally or more strongly than the face-to-face equivalent - and in some markets, the number who value face-to-face socialising more highly is dwarfed by the others.

"How valuable are each of the following to you in terms of your overall entertainment?" | Instant messaging and socialising face to face | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2015

REGIONAL DIFFERENTIATION

The most remarkable aspect of this data is not that volumes are so different between western markets and growth markets - but that the disparity between those who value instant messaging more than face-to-face socialising is so large.

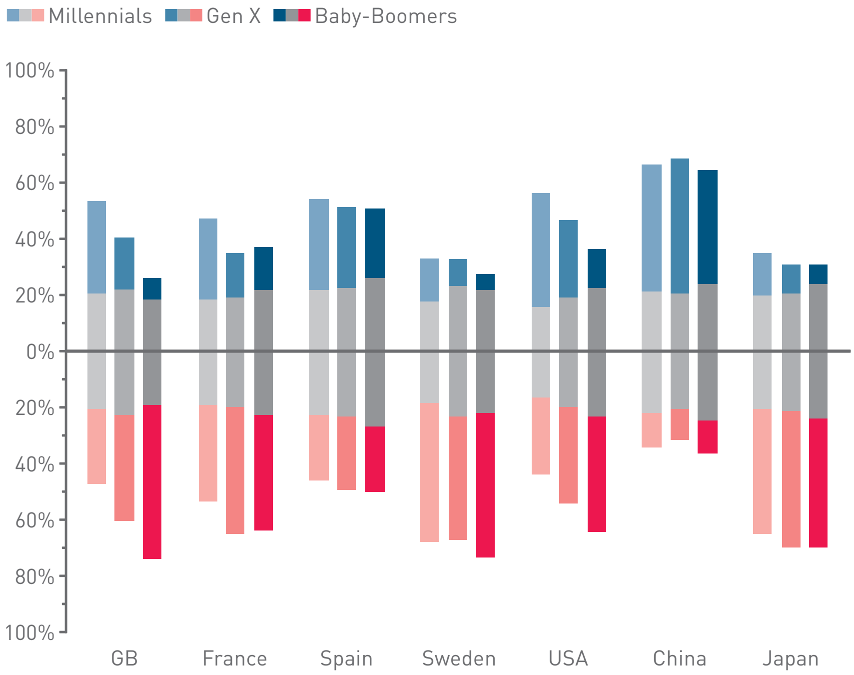
In China, it's more than twice as many people who explicitly value socialising over instant messaging more highly to their entertainment than socialising face to face.

Emojinal Intelligence ultimately shows how deep so-called "digital nativity" will go. Particularly amongst younger consumers or amongst growth markets, thinking must be adjusted to move away from the idea that instant messaging is 'dominant': perhaps more accurately, we are entering an age where instant messaging is a passive, unobtrusive and decidedly natural force.

Of course, online interactions between friends and family are much more easily translated into truly emotion-embedded conversations. On the other hand, conversations between consumers and brands seem less intuitively 'human'.

But already, we are seeing this category of interaction move into a more emotionally responsive space - not amongst all consumers, but certainly amongst Millennials. We see that within an average of the eight countries sampled below, 1 in 3 Millennials agree or agree strongly that companies ought to follow or friend them back on social media.

"How strongly do you agree or disagree with the following statements? Companies should "follow" or "friend" people who "follow" or "friend" them on social networking sites" | 2015



Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

REGIONAL DIFFERENTIATION

Clearly, there is quite a level of difference here - particularly with Sweden and Japan, we essentially see what amounts to outright rejection from all age groups. Meanwhile, in keeping with all previous findings, Chinese consumers of all ages seem to be equally enthusiastic to make friends with their brands - but Spanish consumers are following the same trend.

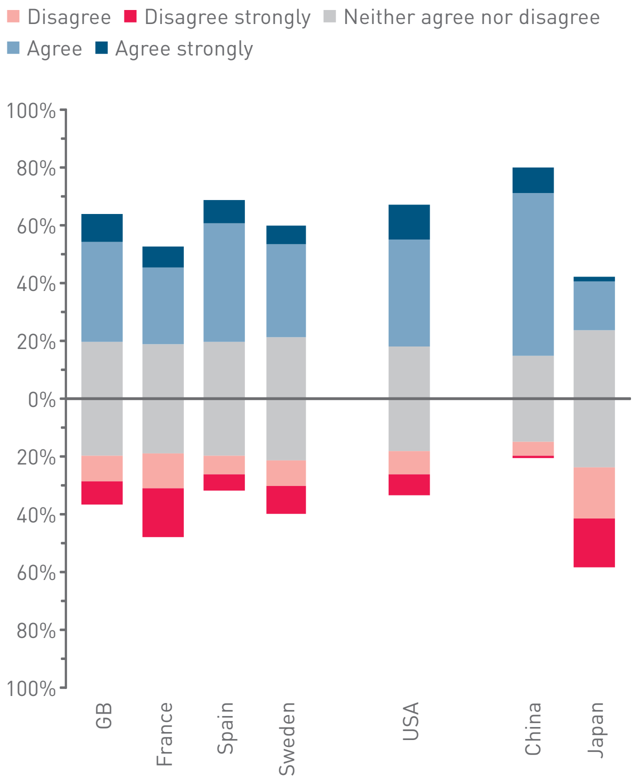
The remaining markets show internal disparity - but it is strength of feeling amongst Millennials is likely to continue - and define future attitudes.

The expectation for young people has changed - brands are now required to give millennials the requisite acknowledgement if those millennials are to consent to having a relationship online.

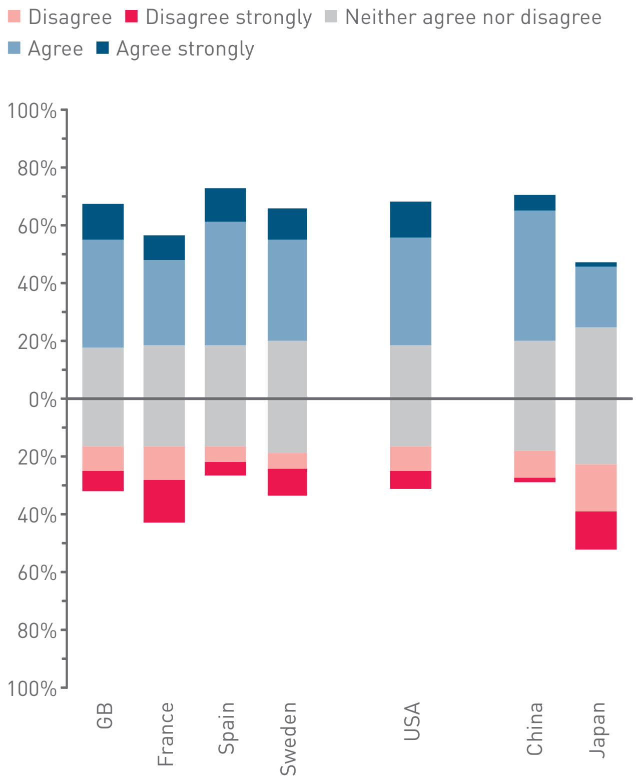
But even more than relationships, we see that there is a growing expectation for further acknowledgement that begins to approach dialogue - or indeed conversation - as well.

“How strongly do you agree or disagree with the following statements?”| 2015

“Companies should acknowledge positive comments/ posts that people make about them on social networking sites”



“Companies should acknowledge negative comments/ posts that people make about them on social networking sites”



Source: nVision Research | Base: 1000-2000 online respondents per country aged 16+ (China 16-64), 2015 September

Much of the expectation for acknowledgement of feedback is of course is driven by ongoing consumer concerns around transparency and service - but this expectation has hovered in the online space for long enough to have created a precedent for consumer-brand dialogue. Particularly for a travel provider - already a much more emotionally-tuned category of brand than many others - this may be particularly important.

“People are replacing the regular customer service channels for a more direct contact with the brand through social media, specially when it comes to complaints. Brands respond more quickly when they see a Twitter user with many followers complaining about their service through a simple Tweet. Whereas through regular phone call to customer service, the hassle would be more annoying (waiting, robotic voices, disconnected calls in the middle of the conversation etc) and brands wouldn’t fear the effect as much.”

TIAGO, SAO PAOLO

This all heralds the future of brand communications - a future where communications, booking and in-destination service may all merge into one ongoing conversation.

IMPLICATIONS: INSPIRATION & DISCOVERY

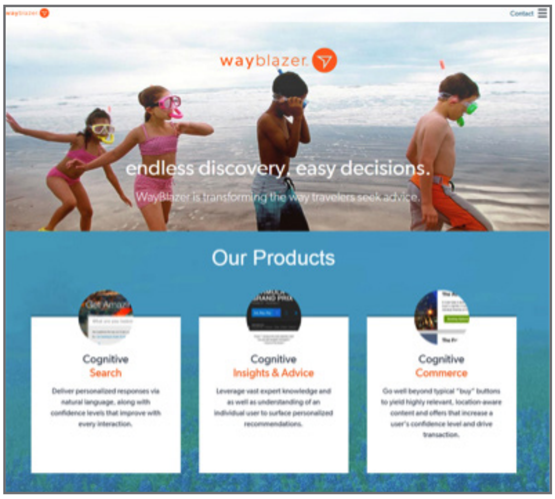
One of the most actionable implications of Emojinal Intelligence is providing consumers with more complex channels with which to express themselves. Across the world, brands in all industries are already allowing consumers to leave public feedback or to contribute to hashtags when they consume the brand’s products.

For those responsible for destination, giving consumers channels to express how they feel prior to travel may be equally important. In the era of Pinterest and Instagram where consumers are met at every turn with fodder for future travel, National Tourism Organisations could stand to benefit from allowing consumers to express those emotions – inspiration, excitement and more.

CASE STUDY: Wayblazer

Wayblazer is an intelligent search discovery system that delivers personalised service throughout the travel planning. Powered by IBM Watson, it uses natural language process to return information based on a cognitive travel graph combined with user knowledge.

Wayblazer is mainly a B2B service, aimed at travel companies, destination marketing services and content providers.



NOTEWORTHY STRATEGY?

The services claims that its insight and advice gets better with every use, as the technology evolves and learns each users preferences over time. It learns from humans, understanding and speaking natural language, as well as making better conclusions, predictions and recommendations with time, the more it analyzes.

The service distinguishes the types of information that's relevant for each query and only displays the most appropriate for the traveller.

"We think cognitive computing technology will allow us to actually give travellers advice rather than endless lists of clues as to what they can do at any given destination. We provide insights-as-a-service to travel websites looking for a greater level of engagement with their clients. It's also a learning computer. The confidence level at which it can make conclusions, predictions, and recommendations improves with time, the more it analyzes.

The number-one source for travel advice is still real people, like friends or a live agent. Social, blogs, reviews website, etc., offer clues as to what to do, but they haven't cracked the code.

WayBlazer can change that, make planning a trip online as easy as having a conversation with a friend. Our product can also provide "insider insights" as well. If a traveller is going to, say, Austin Formula 1, it might say, "Turn 15 is where you want to be for the most action". The results could also, if the client wants, link out to an e-commerce opportunity, so if the suggestion is a restaurant or a tour that the customer could buy, we'd link to that.

Airlines have rich data on their best customers, too, and our results could be filtered not just by where the customers are but who they are — how loyal, and so forth."

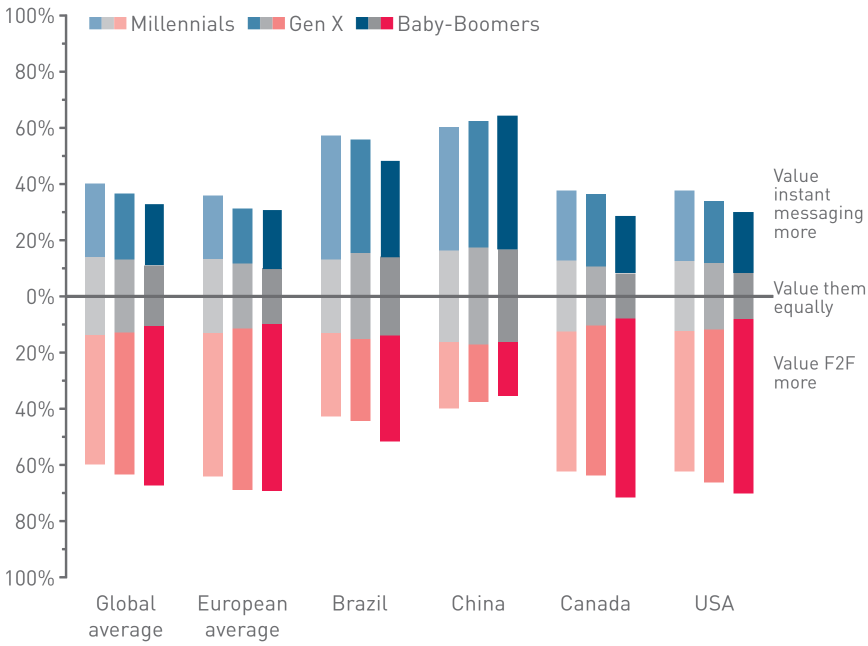
TERRY JONES, CHAIRMAN SPEAKING TO TNOOZ, OCT 2014

5.2.ii CONVERSATIONAL COMMERCE

This budding trend is perhaps the halfway point between perfectly human automation and face-to-face contact – taking real human contact and putting it in a digital space.

But whilst online chat assistance has been available for some time, it has retained a distinctly non-human touch; responses are often heavily templated into formal language, and strictly limited to certain topics. Today, increasing numbers of brands are looking to change this – and one of the primary drivers is none other than the global nativity to chat platforms that has already been evidenced above. This is explored further by age group breakdown below.

"How valuable are each of the following to you in terms of your overall entertainment?"| Instant messaging and socialising face to face | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2015

FOCUS ON: CHINA

We see that not only is instant messaging extremely valuable to Chinese consumers, but that China is the only market where it is more valuable to older consumers than younger ones.

This is likely because services such as WeChat are widely credited with linking older consumers with friends and families in a society which has only recently moved away from triple-generational households. In China, mobile technology is widely hailed as a positive social tool with genuine sentimental value.

Instant messaging –positive attitudes are clearly held even more strongly amongst young people – indicating that the future will hold heavily text-native prospects. In China, where not only service but also m-commerce is a huge industry thanks to chat-based mobile platforms like WeChat, this is already an established trend. International competitors are looking to follow suit; KLM announced their partnership in the Facebook Messenger platform pilot only in early 2016.

IMPLICATIONS: INSPIRATION & DISCOVERY

An advantage of placing any brand in the native habitat of a chat platform - such as Facebook Messenger, as KLM has done - is allowing for inspiration and discovery to happen in a setting which allows the consumer to feel as though conversation is on the cards from the beginning. Whilst most travel providers today will feature instant messaging –style chat boxes on their own websites, this can only be partially effective in truly replication the human element that is found in a social conversation space.

These innovations are expected to increase uptake of conversation-based commerce amongst older generations as well; however, prior innovation slightly outside of the mainstream has already been made in the West, and much of it has been located in the servicing context. Ultimately, service-based provisions respond to natural consumer needs.

CASE STUDY: OneTravel 'Opal'

The discount travel site OneTravel added a voice feature called Opal to its mobile application. Users were now able to consult a computerised travel agent that is able to search for flights.

Opal will ask for any missing details such as origin, dates and number of flights. The results are spoken to the user and are displayed on screen.

The system has been programmed to understand a consumer's request, so it they want to fly to New York City, Opal will know there are three airports to scan, and will warn consumers of any specific holidays around the travel dates and will find deals related to that holiday.

NOTEWORTHY STRATEGY?

Being able to interact with emotionally responsive channels when booking a holiday engages the consumer. They feel they are being understood correctly, and getting the correct deal for them.

"OneTravel prides itself on the highest quality of customer service and an unparaleled level of cutting edge technical innovations."

WERNER KUNZ, COO OF PARENT COMPANY FAREPORTAL

"We wanted to help reduce the mental load of users and make it easier to interact so it becomes more of conversation and you don't feel the cognitive load of having to juggle all of these different dimensions, such as prices of fares, dates, preferred airlines, connection times, stop-over cities and possible delays and cancellations during stormy weather.

The idea for Opal came from a regular company-wide exercise that asks its internal developers and employees "to get creative,"

We realized there wasn't a voice-based interface specific to travel and travel reservations. The development of technology is allowing travellers to access more information and narrow down their available choices quicker than before. And that development has certainly paved the way for innovative technology-based offerings like Opal."

PRADEEP RAO, VP OF PRODUCTS AND BRANDS FOR FAREPORTAL, PARENT COMPANY OF ONETRAVEL

Qualitative research also confirms that the element of conversation adds to a feeling of "concierge" – an added benefit during the current status quo, where conversation-enabling channels are still relatively rare.

"Travel agent Gabriel Vasquez from CVC told me that travellers actually ask for a contact number from the agency in Brazil to get in touch with in case they bump into these automated services in hotels and such. Because they're paying for the travel through the agency, they feel that the agency staff must be ready to take their calls whatever any tiny, tiny problem arises."

TIAGO, SAO PAOLO

"we have come into an age of expectation and instant gratification. We expect to ask (or complain) and have an immediate response. I believe as a product the idea has the potential to be incredibly successful because it seems to offer convenience and services that we are all accustomed to (or hope to enjoy) while on vacation. Additionally, these hopes/expectations of convenience and a concierge service span over every generation so as the older demographics become more familiarized with the online/tech world, the popularity of such services will simultaneously increase."

KELLY, SAN FRANCISCO

The key to executing these services well is almost entirely down to the careful mechanics of replicating emotionally responsive conversation methods – an endeavour which today is still only achievable through human means. Still, scalability is much more achievable with remote human service as opposed to face-to-face service; this may be why initial innovations around true human-led service over conversational platforms have taken a decidedly premium tone so far.

IMPLICATIONS: JOURNEY & TRAVELLING

Airports are already a natural setting for concierge service, given how much providers whom operate in airports have attempted to better stratify different levels of premiumisation whilst improving the overall experience for everyone.

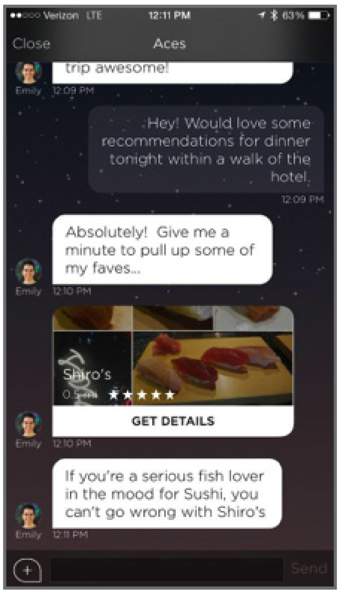
Particularly in this setting, where we have already seen that need for guidance is certainly already existing, and where precedents to provide this already exist on a mobile platform, this could be a particularly bountiful avenue to take Conversational Commerce services outside of just hotels or online booking services.

However, as innovation continues to accelerate, younger consumers especially will find themselves testing a new world of chatbots – branded conversational robots which users can download to chat platforms like Kik or Facebook Messenger in order to ask questions – and remote concierge. This is an opportunity for those with innovative ambitions to grasp.

CASE STUDY: HotelTonight's personal concierge recommendation service Aces

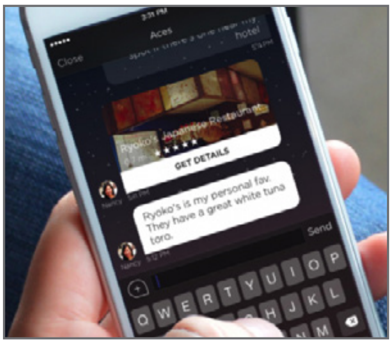
San Fransisco based start up, HotelTonight introduced a new concierge feature called Aces to their mobile app. Aces puts users in contact with a dedicated team of travel concierges, known as 'Aces', via a chat platform.

Users can chat to their Ace 24/7, requesting hotel services, such as extra towels, or asking where they recommended for breakfast. All of the Aces have profiles, with images of themselves, making the service feel personal and more face-to-face.



NOTEWORTHY STRATEGY?

Aces staff members communicate in a friendly, informal matter, using emojis, making the service feel personalised and makes users feel like the know their Ace individually. This humanised touch adds opinions and emotion to the conversation.



HotelTonight's Aces work with local food bloggers and tastemakers who have deep insider knowledge about where is best to go in their cities. This makes sure the recommendations are not generated from a computer, but have grounding in human preferences.

"Talking to an Ace is supposed to be like asking travel advice from a friend who lives in a different city.

We have people with local knowledge and who can ask questions to learn what you really want to know

Aces are trained to look for context of the customer's request – i.e offering different suggestions for a business dinner as opposed to a weekend getaway."

SAM SHANK, CO-FOUNDER AND CEO OF HOTELTONIGHT
JULY 2015

5.3 PERSONALITY WITHOUT PEOPLE: IMPLICATIONS FOR TOURIST BOARDS

NTOs and visitor attractions must look to be at the forefront of innovation relating to customer service, adopting those automated solutions that genuinely offer improvements rather than those which are merely about generating buzz. At the same time, we strongly believe that there will continue to be a role for in-person service, but even these can be improved by the clever and sensitive usage of technology and data.

EMPHASISING CONVENIENCE & CHOICE

We believe that the debate is not merely about human versus automated. Instead, we advocate that NTOs keep an open mind to new innovations. We recommend that:

1. NTOs, visitor attractions and hotels need to reassess their processes, providing human and automated versions to cater for alternative groups of visitors.

2. NTOs can capitalise on the novelty value of automated solutions to secure public attention and PR eg drones, robots, self-service solutions, driverless cars and avatars.

OPTIMISING IN-PERSON INTERACTIONS

We believe that optimal solutions of the future will offer a blend of human and tech-enabled customer service. We recommend that:

1. NTOs (and other customer-facing parts of the T&T industry) need to keep at the forefront of developments in overlaying data onto customer interactions.

2. As part of this theme, NTOs should look to be early adopters of the reimagining/relaunch of Google Glass or other similar services. During the first phase of trials of Google Glass several service providers (Copenhagen Airport, SNCF railways and Virgin Atlantic) all trialled solutions that equipped customer service with these devices, allowing them to access real-time data while not having to divert their attention away from the guest in front of them to look at a separate device. The next wave of these innovations will overlay actual customer service histories onto eyescreens, allowing customer service staff to know not just who they are talking to but what their previous experience with the brand has been.

3. NTOs should ensure the ready supply of consumer service history data to maximise the usefulness of "algorithm-driven" customer service.

HUMANISING ONLINE INTERACTIONS

We also believe that NTOs should not assume that their online offerings are somehow different in objectives or delivery than their face to face interactions with customers. Effort must be put into making online interactions feel more like real-world conversations. We recommend that:

1. NTOs must include increasingly fluid functions in digitised communications to replicate the intuition and flexibility of human conversation.

2. NTOs must use emotional language, particularly when communicating to visitors from regisions or demographics who will be used to emotional expression online.

3. NTOs must use an emotional communication "setting" - ie chat platforms - to give consumers a feeling of "face-to-face" service in online interactions.

6. NO ESCAPE

When control leads to burn-out, where do consumers turn? Is there real appetite for a return to the pre-digital age?

In this section, we will introduce two trends that explore the perennial declaration of need for a "digital detox". With strong ties to health and wellbeing but serious challenges to control, we explore underlying needs:

6.1 **The Power of Quiet**, which discusses the oft-declared wish to go "off the grid" - alongside how stated attitudes are beginning to idealise quietness, escape, solitude and peace. However, we find that actual behaviours do not necessarily follow; this results in a budding demand for the provision of opportunities for quiet which can be electively taken up.

6.2 **Casual Connectivity** looks a few steps further down the line than the anti-digital demand. It explores whether the current consumer need to detox is simply driven by the perceived lack of control over when and how they are connected digitally. This exposes a future of connectivity, where increasingly tech-dependent consumers will flock towards solutions that connect and alert them passively - using predictive analytics to detect when they need it and when to avoid bothering them.

6.1 THE POWER OF QUIET

This trend explores the infamous and oft-touted "technology overload" that results in the need to detox, get away, and escape. Some of this sentiment was captured in qualitative research, with several respondents making reference to this trend:

"For those seeking true escape, there are special vacation packages or spiritual trips available in which they can 'cut off from the world'"

SAHRISH, TORONTO

"I actually plan trips to out of range locations, such as mountain destinations like Yosemite. I also love going to my son's country club for respite as cell phones are strictly prohibited in order to maintain the old world sense of privacy and time un-intruded by text buzzes and the swoosh sound every time an email is sent."

MALE, AGE 68, USA

Jason, a thirty-something professional took his wife and son to Australia last week, where he studied at the University a long time ago. "It is the slow culture that is so opposite to Shanghai , that I wanted my wife and my boy to experience and to let them see that I can be slow too, not always as in a hurry as I am working in Shanghai."

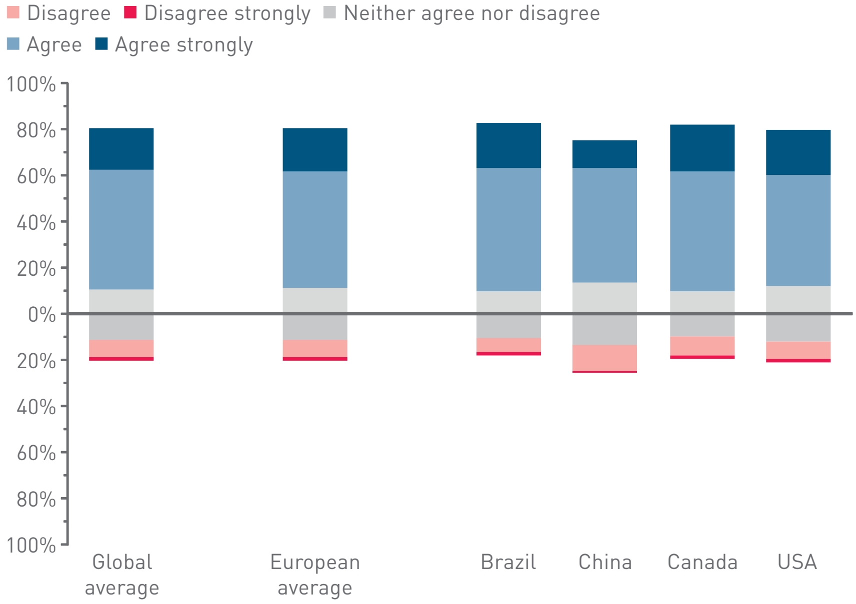
JASON, SHANGHAI

It seems that everyone has a device attached to their right hand and whenever it buzzes, it must be checked immediately. Additionally, I know a lot of teachers and am aware that in this day and age kids, while in class, think it is acceptable to pull their mobile device out and answer a text mid-lesson (meaning they do not understand technology boundaries). Even when rules are in place, the kids sneakily pull the phone out and text under the desk as if they are invisible and the teacher has no clue what's going on."

KELLY, SAN FRANCISCO

And on the surface the data seems to indicate that the idea of setting time aside for quiet moments - particularly "alone time" or time for self-care - holds widespread appeal.

"How strongly do you agree or disagree with the following statements? I make sure I regularly have some time with no commitments/nothing specific to do (e.g. no work or social commitments)" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

ACTIONS SPEAK LOUDER THAN WORDS

Whilst agreement looks high, further analysis indicates that there is little correlation between agreeing to this statement and actual behaviour to support.

Those who strongly agree to this statement are actually far more likely to be doing a higher number of social commitments at high frequency than others. Of those who strongly agree, 1 in 4 are performing all four of the following activities at least once a week: going out shopping, eating out as an occasion, socialising out of home and socialising within the home. Of those who are apathetic or disagree, the proportion who are doing all four so frequently halves.

However, as deeper analysis in the commentary box reveals, this landscape has proven tricky for consumers to navigate. Despite high agreement levels to this statement, we do not see indication of follow-through.

CASE STUDY: Villa Stephanie at Brenners Park- Hotel & Spa

Villa Stephanie has many of the same features as other spa hotels, such as a fitness centre, sauna, pool and various massages and treatments. Its differentiating point is the opportunity to switch off completely from all things digital.

The rooms have been fitted with copper shields covered with a special coating, which blocks all high-frequency waves, such as Wi-Fi signals, disconnecting the room from electricity supply. Special cables have been used to reduce electro-magnetic fields throughout the building. This allows visitors to the hotel to 'digitally detox'.

Located in Baden-Baden, a spa town known for its famous healing waters, the spa provides other healthy options, such as a food menu, which can be adapted to any dietary requirements.

NOTEWORTHY STRATEGY?

With guests having the power to switch off signals, they can enjoy the quiet freedom of not being connected, as well as a more natural, restful sleep.

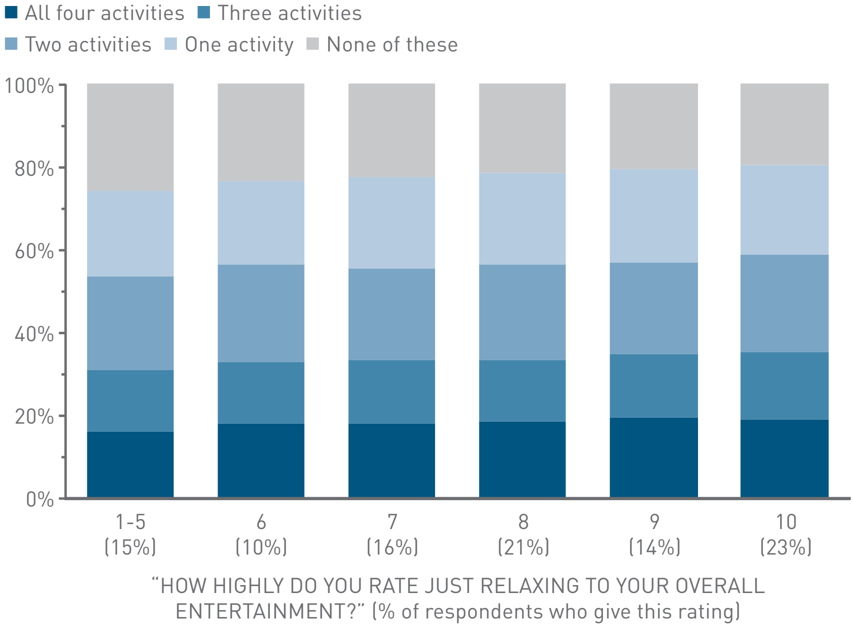
Each room contains switches to turn off individual signals, allowing visitors to choose when they want to be left in peace and which digital distractions they want to get away from. These switches facilitate the digital detox and empowers those consumers, for whom leaving digital demands at the doorstep proves a difficult task.

"In a world where people are connected practically around the clock, there is a need for places of retreat where it is possible to relax and focus on yourself. It is for these reasons that the Villa Stéphanie has been created."

FRANK MARRENBACH, MANAGING DIRECTOR OF BRENNERS PARK-HOTEL & SPA.

Similar results are revealed when looking at those who value "just relaxing" - an entertainment activity which we recall from **The End of Adventure** and which was the clear favourite across markets. The difference in the value of relaxation is not related to the number of non-relaxing activities consumers pursue at high frequency.

"How frequently do you do the following activities at least once per week? Go out shopping / Eat out as an occasion / Socialise outside of the home / Socialise inside the home" | % who do each number of activities within those who rate just relaxing as valuable to their entertainment at each score | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

NOT QUITE "JUST RELAXING"

Here, we have taken the entire global sample and grouped those who rate "just relaxing" as 1-5 in value together; this gives us a total of six groups, ranging in size from 10% to 23% (total proportion given beneath each group oin bracets).

As we can see, there is very little correlation between valuing relaxation and how many activities are pursued on a weekly basis. If anything, there is a slight correlation between those who value relaxation more highly pursing more activities by average.

From this, we can see that whilst relaxing and making time for oneself is not necessarily a widespread behaviour, it is nevertheless a clear aspiration - perhaps the former even enforcing the latter.

As with so many of the other trends we have seen, this is as much about how consumers would like to behave as it is about how they do behave, particularly in the context of what we have already seen in **Constructive Tourism** around self-improvement and health. The attitudes have formed the cornerstone of **The Power of Quiet** and the genuine value consumers are placing upon relaxation, detox and slow-down in all areas of life. At the same time, challenges from all areas are pushing consumers to do more and more with their already limited time, creating a deep sense of consistently failed aspiration that underpins this tension.

Further, when we consider the consumer's relationship with technology, this aspiration-behaviour gap provides a highly informative context. In the post-smartphone age, it makes sense that **The Power of Quiet** translates particularly heavily into consumer consciousness about their own constant technology use.

But as we have also seen across themes, devices are a particularly crucial part of the consumer experience from discovery to destination. Consumers may indicate that they would like a break from their smartphones whilst on holiday; however, paradoxically we have also seen that they are if anything more likely to use devices in situations that require planning, control or social engagement.

This begs the question: how much do consumers actually aspire to switch their phones off, and how far away is that from their current behaviour?

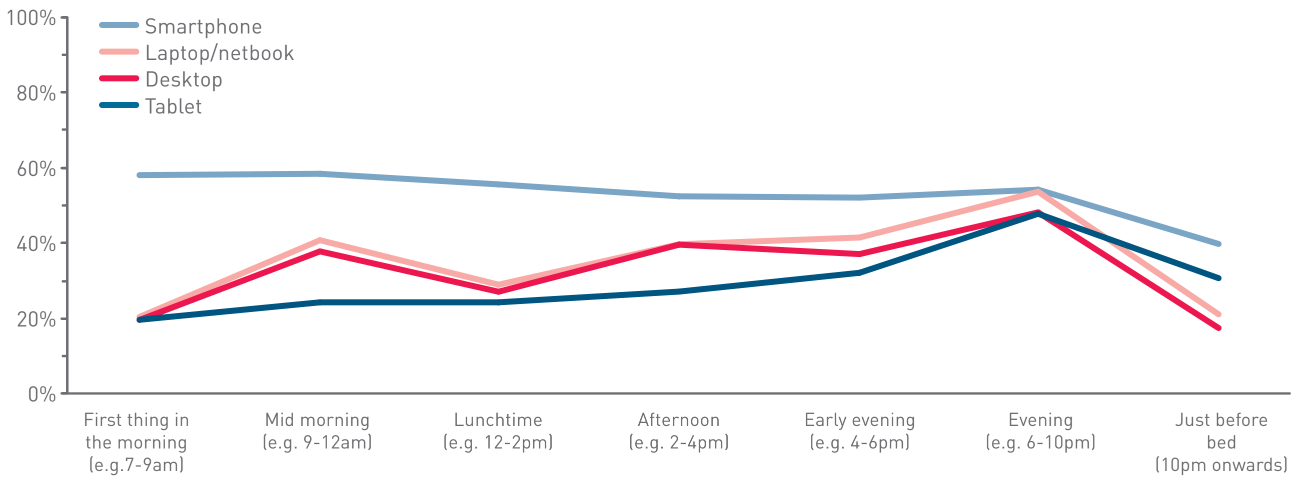
IMPLICATIONS: INSPIRATION & DISCOVERY

Realistically, only the most committed of digital detoxers will want complete disconnect from technology - we expect this to be a niche pursuit. When it comes to mainstream travel, however, consumers might appreciate opportunities for flexible yet explicitly-defined chances to put their smartphones down.

Thus, for tourist boards it will be particularly important to clearly flag the opportunity for escape that their destination could provide in the discovery phase - but also to make explicit that this is well within the consumer's own control. Equally, specific attractions, activities or events looking to capitalise on this trend, such as restaurants that ban smartphones, or accommodation that purposefully has no internet, might also do well by ensuring that consumers understand that the holiday is an opportunity for intense but ultimately temporary retreat.

It is almost impossible to quantitatively link aspiration to disconnect with frequency of using technology via self-reporting survey methods. However, a cursory look at global device use statistics gives a good initial indicator at exactly how prevalent device usage is throughout the average consumer's day:

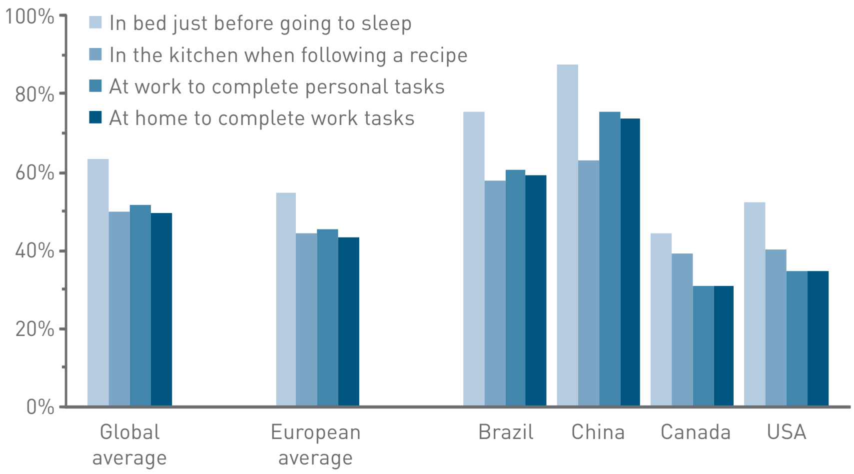
"At which times of day do you generally use the following devices?" | % who use each type of device | 2014



Source: nVision Research | Base: 1000-5000 online respondents with a smartphone, tablet, laptop and desktop per country aged 16-64 (Indonesia, Mexico & S. Africa 16-54), 2014

Other self-reporting device usage statements indicate that device usage is not only constant throughout the day; on top of this consumers stick to devices as they move from one activity to the next. Crucially, we can see how technology and potential stressors or feeling of digital overload might be strongly linked as well.

"In which of these situations do you use either a smartphone or a tablet?" | % who select each of the following | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

REGIONAL DIFFERENTIATION

Yet again, respondents from high device-owning populations are understandably more likely to be using them regularly.

Particularly interesting, however, is how even "at work to complete personal tasks" and "at home to complete work tasks" are within countries. We can see how constant use of technology is closely related to the erasure of work-life dividing lines - perhaps a good hint at why the tech-detox feeling is so strongly associated with other ideas of quiet and de-stressing.

Yet again, it is difficult to determine whether or not this behaviour and the anecdotally observable technology overload could realistically result in demand for tech-free escapism - or if this data itself proves that people are more dependent on technology than ever before.

Unsurprisingly, the answer is most likely to be mixed. Our qualitative research addresses this reveals a clear tension - but one which looks to be short term, and is unevenly spread across the board.

From the USA, Canada and China, we see evidence of desire to disconnect - but a desire which comes with a lingering feeling of compromise or wanting to have it all. Looking at the response from China, there is some indication that there may be practical barriers which prevent pursuit of quietness as the competing need for security far outweighs it:

"I think that, over the past few years, awareness about how pervasive technology is has grown [so] I do think that travelers in the US are becoming increasingly interested in taking off the grid trips to disconnect in whatever ways they can, which definitely has an impact on the kinds of trips they're seeking out and the things they want to do there. There are also a number of apps like SelfControl, which consumers employ to purposely block themselves from accessing social media and any other websites/apps."

ANNABELLE, NEW YORK CITY

"I dream of a trip where I could just not even turn my phone on for a week, but I don't think I'd be capable of actually doing that for more than, like, two days. How depressing."

FEMALE, 26, USA

"If going for escapist travel, people will be out there getting away from technology. But if you're tech savvy, it's a little more difficult to just 'turn off'."

TRAVEL AGENT, CANADA

"The last trip I took, we could barely find any Wi-Fi and it was actually incredible. It's just so much easier to disconnect when it's out of necessity."

MALE, 29, USA

"I can relax on the beach but lying there doing nothing is not fun. I need to keep busy, even if it's something as simple as playing a puzzle on my ipad!"

FEMALE, 65, RETIRED, CANADA

"Many Chinese will go on domestic trips just to disconnect from their city and digital world. However, while abroad, in order to make travellers feel confident being disconnected and enjoy the peace, I believe the key is to first make the travellers feel safe and at home, give them the feeling they can reach out for help at any moment if they wish or need."

XIAOLEI, SHANGHAI

And from other markets, we see scepticism towards the longevity of the concept or its rejection all together. Notably, respondents from Brazil outright denied the appeal of disconnecting:

"Brazilians are still fully embracing technology. I asked [a travel agent friend] about the search for destinations that promise the traveller complete isolation from technology and he told me that's almost zero."

TIAGO, SAO PAOLO

Brazillians still very much like to share instantly what they're doing, especially when they're on vacation abroad. So what's the use of isolating yourself on an amazing island that has no Wi-Fi to Instagram to your friends how amazing that island is?"

GABRIEL, TRAVEL AGENT, BRAZIL

"The more technology driven society becomes, the less likely I see escapist travel becoming popular in the coming years ... As mentioned before, most Canadian travellers like to, in fact, use technology to plan and book their trip, and sometimes use it during. It's only the eldest generation that can be said is not completely addicted to technology."

SAHRISH, TORONTO

People say they want to escape, but they don't really. The majority of Chinese people don't like being quiet and disconnected."

CARRIE, SHANGHAI

Consumers in the US are hyperaware of how reliant we are on technology for our day-to-day life and especially for traveling, but even though we complain about it, we are reluctant to disconnect. The number of people who seek to disconnect or take technology detoxes is increasing, but the follow-through in my market doesn't seem strong

ANNABELLE, NEW YORK CITY

This mix of consumer sentiments indicates that, in the short term, there is some consumer appetite for a temporary disconnect - although complete rejection of digitalisation is highly unlikely, and even less so as time goes on.

The travel industry's place in this journey is also revealed: for those consumers who do crave this short-term disconnect, it may not be such an easy feat. External support their attempt to get off the grid would not only be appreciated, but perhaps even requested.

IMPLICATIONS: IN-DESTINATION

We posit that there are consumers - particularly from North America - who will appreciate creative, well-balanced commercial propositions that allow them to escape. In this transitionary era where many have memories of a so-called "simpler time", there is a true and inevitably present mental and emotional demand for switching off, coming from a significant minority. Helping consumers, who would like to satisfy this need, is not a question of if but how.

Ultimately, enabling consumers to get away from technology will require a certain preemptive response to various consumer needs that their personal technology would otherwise address. Smartphone-based translation services could be replaced by better pre-translated information available; the compulsion to take photos via smartphone throughout a journey could be replaced by novelty disposable cameras (as seen below with London's Secret Cinema).

CASE STUDY: Secret Cinema

The Secret Cinema is a cinema hosting well-known popular films, such as Back to the Future, Dr Strangelove and The Shawshank Redemption. Every event is a fully immersive and participatory screening, making use of mixed media and featuring live performances from actors.

As the name suggests, many details of events hosted by the cinema are kept a secret until the very last moment, with ticket holders often finding out the location of the event earlier on the day of the screening. All ticket holders receive a new identity and are asked to dress up, allowing for full anonymity when participating in tasks, such as trading and bartering with others, which are the key to progressing to other sets and scenes. Thus, ticket holders do not know if they are engaging with an actor or a fellow participant and attendees becoming a part of the show.

NOTEWORTHY STRATEGY?

With the tagline 'Tell No One', the company operates a strict policy regarding media, with all mobile phones either being left at home or being handed in upon arrival. As many films shown are set in the past, the "no phone" policy enables the completely immersive experience, as nobody is continually checking their phone; it also facilitates and encourages enjoyment of what is happening in the moment, instead of being focused on technology and trying to capture the experience.

The mystery surrounding the events are not only part of the brand's identity but it also guarantees that the surprise is not ruined for others attending on different nights.

In an age of downloads, on-demand viewing and online streaming, Secret Cinema offers a uniquely disconnected experience.

"We're trying to challenge the audience and to experience something different. We don't know how they're going to behave. It also shocks me how much the audience actually want to participate and create. I think the principles of bringing films to life and allowing audiences to step inside, live and become the film are still there. However we're moving it into new areas and it's becoming more detailed and more ambitious with each project. The audience is getting to be more creative and interact on various levels."

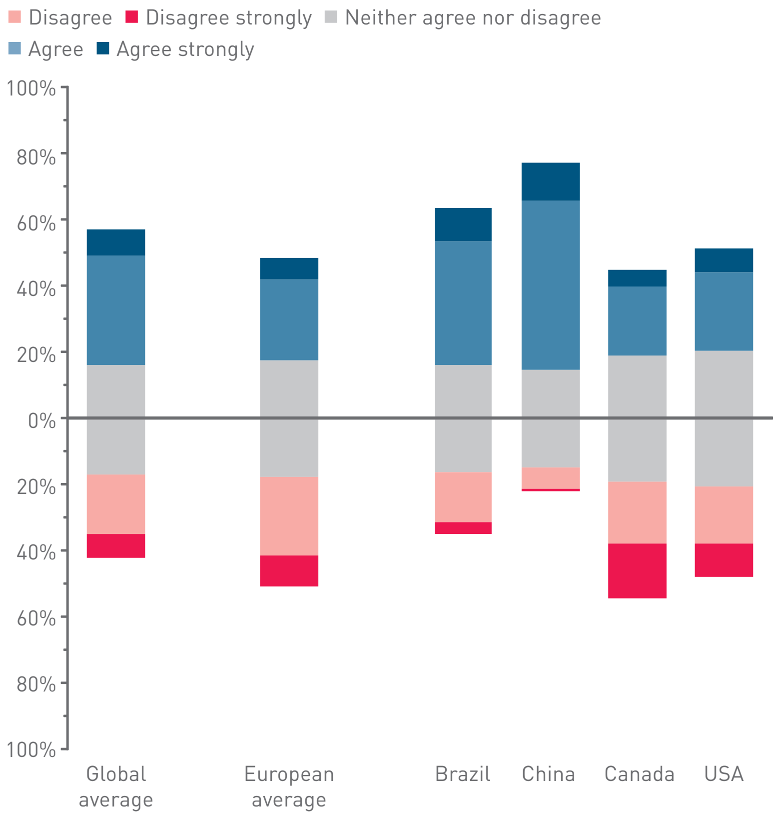
FABIEN RIGGALL, FOUNDER

6.2 CASUAL CONNECTIVITY

Acknowledging that consumers are ultimately unwilling to give technology up despite all the stress it may cause them occasionally, in this section we attempt to identify a more precise take on this underlying feeling of being overwhelmed. Rather than the demanding nature of technology being the primary stressor, however, we hold that it is the current absense of mechanisms to control and manage this pervasiveness.

We see that approximately 40% of global respondents either agree or agree strongly that they would like to be able to better control when they receive notifications. But when we look at regional differences, we find that those who feel the most out of control are not the least tech-savvy - it is in fact the exact opposite.

"How strongly do you agree or disagree with the following statements? I would like to be able to better control when I receive notifications on my mobile phone" | 2015



REGIONAL DIFFERENTIATION

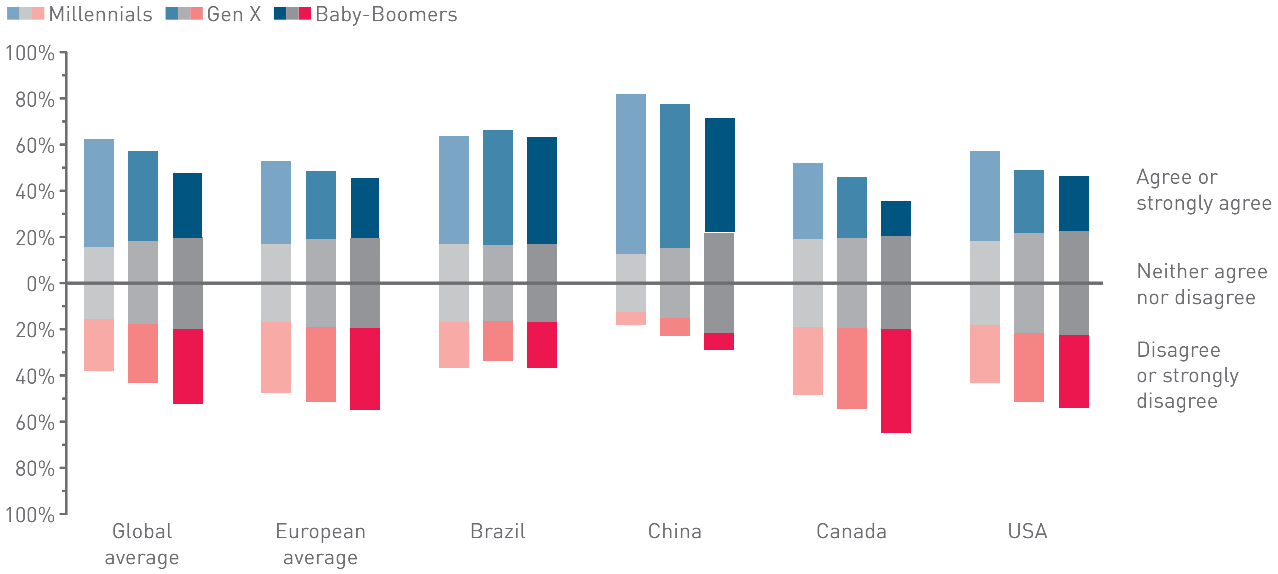
Americans and Canadians seem to be the most intrinsically satisfied with the level of notification control they have. In Canada in particular, we see an unusually large proportion who strongly disagree; as seen in the next chart, this may be due to the particularly strong sentiment held by Baby-boomers that they are firmly in control of this.

But this is particularly interesting in comparison to China, where there are few who do not feel this is a pain point - despite high levels of digital nativity. This suggests that high topline volumes of people who would like to better control notifications are not those who are less tech-savvy and thus unused to receiving them; in fact, they may be the most tech-savvy worldwide, indicating that it is at least partially a question of technology not meeting human needs.

Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

When we look at age differences, we see a similar effect at play: a total polarisation, where Millennials are extremely likely to agree or agree strongly, whilst Baby-boomers are likely to disagree or disagree strongly.

"How strongly do you agree or disagree with the following statements? I would like to be able to better control when I receive notifications on my mobile phone" | 2015



Source: nVision Research | Base: 1000-5000 online respondents per country aged 16-64 (Indonesia & S. Africa 16-54), 2015 February

This confirms that global weariness surrounding technology is not driven by those who remember an idealised, pre-internet, pre-smartphone past[1]; nor is it likely to be driven by those who are unfamiliar or unable to use connected technology properly. In reality, it is far more intuitive: the more one uses a smartphone, the more a smartphone will feed them notifications, and the more difficult it is to manage and control.

Thus, **Casual Connectivity** is the resulting consumer trend: the need for technology that follows life just as pervasively - but without ill-timed or inappropriate interruption.

CASE STUDY: hub Hotels app for Apple Watch

Premier Inn's tech-focused range of hotels, hub Hotels, launched an Apple Watch app to equip their guests with a new set of functionalities. The app allows consumers to check-in using their watch, as well as to use it as a room key.

The wearable also allows users to control various features of their accommodation, including lighting, heating and Smart TV. The app has a "do not disturb" button, which lights up the sign outside the door without the guest having to get up.

Users can also check the breakfast menu from the app, as well as order food from the cafe.

NOTEWORTHY STRATEGY?

The app allows travellers lodging at a hub Hotel to stay connected during their visit and provides an easy check-in process for busy business travellers.

Having an app on one's watch or phone, a device which hardly ever leaves a traveller's side, allows them to easily accessing any tools they need, such as heating or lighting, without having to move.

The app also suggests things to do in the area, places to eat and drinks and even has an augmented reality function, which helps travellers unfamiliar with the area to easily find their way

"Whether it's for business or pleasure, the way we choose to travel and experience a city is changing. Apps are already revolutionising the way we order our groceries, book taxis, and check-in at airports, it was only a matter of time before the hotel experience followed suit."

SIMON EWINS, BUSINESS DEVELOPMENT DIRECTOR FOR WHITBREAD HOTELS & RESTAURANTS, PREMIER INN'S PARENT COMPANY

1. See section 1.3 for technology use between age groups

Of course, many of the barriers to the **Casual Connectivity** future are infrastructural: our current technologies are simply not advanced enough to follow human intuition. But as tech innovations, such as wearable devices, are beginning to build a momentum and generate consumer excitement,this will soon turn into expectation - and the appetite for **Casual Connectivity** from all markets is visible through our qualitative results:

"None of those high tech [unobtrusive] services are close to coming to Brazil, but when they do, they'll be properly embraced by Brazilians."

TIAGO, SAO PAOLO

"[This trend] will further grow in the next 5-10 years, especially as these trends and integrative/non-intrusive technology ideas develop."

KELLY, SAN FRANCISCO

"Currently, digitally sharing the holiday experience is also huge, so how to balance the idea of live broadcasting / sharing with escaping connectivity would be something interesting to explore more."

XIAOLEI, SHANGHAI

"last time we travelled we went zip-lining and had a GoPro to wear on our helmets, which was so cool!"

FEMALE, 33, USA

"I think [this] is quite developed in my country, because of the ever-increasing amount of available gadgets, apps etc that attempt to seamlessly integrate tech into our lives in a less interruptive way. I suspect it will be trend that will continue to grow most, as human beings only continue to rely more and more on technology as a means of survival."

ANNABELLE, NEW YORK CITY

As this trend matures, we will ultimately see the decline of the need for retreat from the world of technology and connectivity.

IMPLICATIONS: JOURNEY

We have already seen how important technology is for travellers when they are on the way to their destinations - or when they are trying to navigate their itinerary once there.

This may be one of the best targets for casually connected services: real-time notifications nudging people at airports when boarding gates open rather than automatically alerting them an hour beforehand; maps which integrate with wearables to passively give directions to city explorers, who can then be liberated from having their noses glued to devices without fear of getting lost.

And ultimately, this area is one that shows some of the greatest levels of innovation at the moment; we are already seeing precedents in the form of smartphone boarding passes which pare down the level of interruption to normal consumer habits, or beacon services that push alerts within airports. For National Tourism Organisations and travel providers who are in a position to invest in the future, this could be a fruitful target area for innovation and collaboration.

CASE STUDY: Narrative Clip 2

The Narrative Clip 2 is a new photo-taking solution for the social traveller, who nevertheless finds constant phone or camera usage intrusive. Clipping to the wearer's body, the camera then takes photos at regular intervals which can be set by the user, allowing them to put their camera down for all but the most important moments.

Wireless uploading give users the freedom to view their images and post them on social media, whilst the interchangeable mounts allow the clip to attach to a variety of objects, even being able to a dog's collar, for a different perspective on activities.

Consumers can enjoy each and every moment, whether it be a more unassuming time or a grand adventure, with no need to pause and think about capturing it, as the device automatically captures all moments. The time lapse mode enables users to sit back and relax, whilst the Narrative Clip 2 captures an events such as an evening of beautiful sunsets or a wedding.

In the brand's own words, the camera was designed around its wearability - prioritising its small size, lightweight nature and aesthetic compatibility.

NOTEWORTHY STRATEGY?

The Narrative Clip 2 is ultimately marketed as being a casually connected tool - always there in the background, being customisable to style and lifestyle.

The device has some similarities with a GoPro, as both are durable wearable cameras. But the Narrative Clip 2 is pitched as a much more mass market -viable option, with an emphasis on being unobtrusive - not only in design, but also in the way it functions and attaches to the wearer. Rather than being a statement in itself, its proposition, marketing and strategy are all about allowing consumers to make it as much or as little of a statement as they want it to be.

"[This] is one example of a device that enables us to document our travels without being interruptive, as it's highly portable and can be worn on your clothing, automatically snapping photos at a preset pace."

ANNABELLE, TRENDSPOTTER, NYC

6.3 IMPLCATIONS FOR TOURIST BOARDS

NTOs and visitor attractions must aspire to be at the forefront of the debate about the role of technology in ordinary lives. In the short-term, this is about recognising consumer boundaries, allowing easy opt-outs from communication channels, or switching to an opt-in model. Longer term, it is about keeping up with digital innovations that will make technology more sensitive and responsive to people's lives.

SHORT-TERM: ALLOWING DOWNTIME

We recommend that:

1. NTOs need to respect some consumers' needs for privacy and downtime. Targeting information should only ever be permission-based and could include additional layers of consent e.g. how to notify, when to communicate, what to provide.

2. Visitor attractions and hotels with a distinctive "digital detox" offering need to work fast to maximise the return they enjoy from a consumer need that will not last long; however, this must of course be tailored to suit each market and age group. We hold that this aspect in particular will more likely appeal to North Americans and middle-aged to older groups.

LONGER-TERM: MAKE CONNECTIVITY CASUAL

We recommend that:

1. NTOs need to be aware of the rise of casual connectivity, both in terms of demand and supply, and the consequent decline in appeal of digital detox options. There will come a time when technology gets so much better at knowing when to interrupt us, that the need for digital detox will vanish.

2. NTOs with physical locations (eg Tourist Information Centres) should look to leverage Internet of Things connectivity and visitors' data streams to proactively offer content, advice and information without being asked.

APPENDIX

RESEARCH METHODOLOGY

Quantitative:

- Our original research covers over 25 global markets, with UK, US, Europe, and Global subscriptions. The research featured in this report primarily comes from two global waves of research conducted in February and September of 2015.
    - o In the February wave, 27 countries were sampled; the smaller September wave sampled 7.
    - o All samples are nationally representative using latest census data.
    - o For generational age breaks, the following definitions are used:
- Millennials (sometimes called Generation Y): born after 1981
- Generation X: born 1961-1981
- Baby-Boomers: 1945-1960
- This report features considerable further analysis of the data, revealing attitudinal and behavioural correlations across and between markets. All data analysis was performed in-house by our Data Team.

Qualitative:

- We have access to a network of 200+ Trendspotters and experts across the world. This piece features quotes from our own bank of qualitative research, as well as research that the European Travel Commission specially commissioned for the purposes of the report.
    - o The commissioned work features two core trendspotters from each of the four key inbound markets: Brazil, China, Canada and the USA. These trendspotters reached out to a wide variety of further participants from their networks, seeking diverse demographics and perspectives.
    - o Core trendspotter quotes are presented with their name and city of residence. Networked trendspotter quotes are presented with their gender, age, country and occasionally occupation where relevant.
    - o All other quotes come from our own proprietary research and are cited as such.
- We also have an Innovation Scanning programme to identify the most innovative industry case studies whose offerings index highly against the demand seen in our trends, from multi-national corporations to tech start-ups.

ABOUT FUTURE FOUNDATION

Who are we?

Future Foundation is a global trends agency based in London, New York and Stockholm. We are the number one independent global consumer trends and insight firm working with smart businesses who are:

- Overloaded with information but lacking clear, actionable and commercial insights
- Concerned they are at risk from competitor innovation
- Unsure where to move next in an uncertain market (or geographic) landscape

We transform strategy, marketing, research, service, innovation, customer analysis and training to strengthen businesses to not just understand the changing world around them but thrive in it.

Our content & services

Future Foundation highlights the real truth behind the changes happening and does not simply produce trends for trends' sake. Whether it is using our team, proprietary tools or global research – we create a genuine partnership with your business, empowering both individuals and companies to move forward with confidence. Our services include:

- Consumer Trends – 60 key and emerging Trends with cross-sector relevance.
- Examples of innovations – 1000s of examples from a wide range of products, services, sectors.
- Economic Reports – compelling summaries and detailed regional / sector projections.
- Trends workshops – exercises yielding our experience of future-focussed workshop techniques.
- Conferences & Events – our latest thinking presented powerfully and concisely.

ETC
CET

European Travel Commission