

TRAVELLERS' PULSE GLOBAL & DOMESTIC TRENDS IN TOURISM AND TRAVEL 2024



TRAVELLERS’ PULSE 2024: GLOBAL & DOMESTIC TRENDS

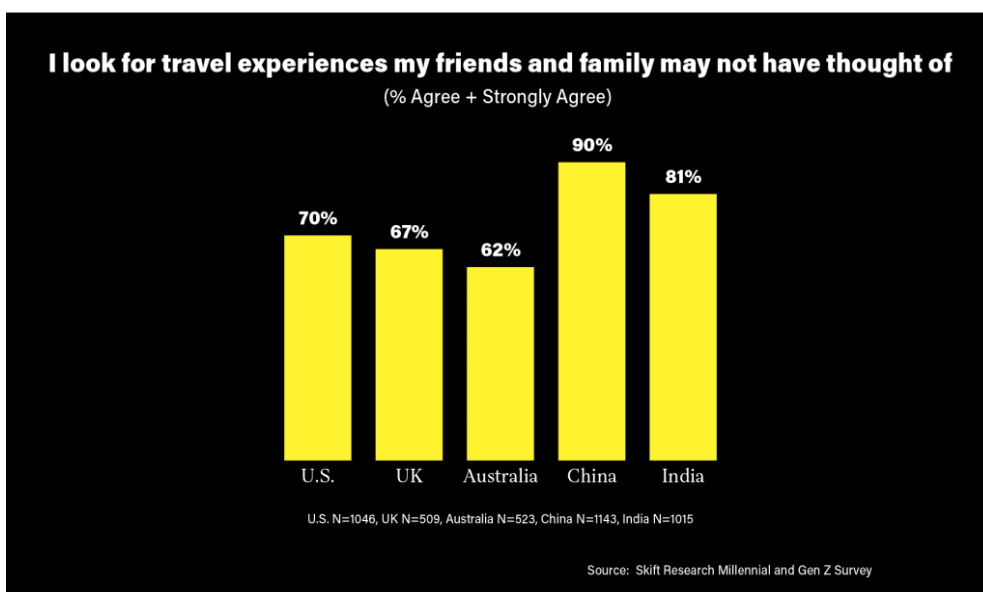
An understanding of consumer preferences, motivations and barriers to travel is essential to inform a visitor-centric and future-focused approach to destination management and marketing. This is informed by global and domestic trends in tourism and travel.

The following insights have been drawn from a wide range of sources, including SKIFT Researchⁱ, Euromonitor International, Booking.comⁱⁱ, Tourism Australia’s Future of Global Tourism Demandⁱⁱⁱ, Twenty31 (now Skift Advisory), Deloitte Access Economics, American Express Travel^{iv}, and the Adventure Travel Trade Association^v (ATTA), among many others. Many of these trends have been evolving and strengthening over several years, in some cases accelerated or amplified by the socio-economic impacts of COVID-19.

1. **Experiences over destinations.**^{vi} Gone are the days when the ‘bucket list’ was just about seeing an iconic place (for example, Paris’ Eiffel Tower). Increasingly, the desire is for more transformative experiences although sometimes it’s the little or unexpected things that make for more memorable holidays (surprise and serendipity). Transformative experiences are those that are more immersive, personalised and allow the traveller to learn more about the local culture, nature, or history of a place. It is about creating meaningful memories and involves opportunities to engage with local people and experience their daily lives or culture firsthand. It represents a shift in experience development from static to immersive and from curation to creation. This is even more important for the Millennial and Gen Z markets, as illustrated in the diagram below from a recent Skift Research Report.

It’s a well-established trend that millennials prefer experience over things. But a less well-understood corollary is that not just any experience will do. In a world where travel is more commonplace than ever, millennials want to be seen as not simply following the crowd but trailblazing unique experiences.

Skift Megatrends 2023: The Anywhere Traveler Puts New Destinations on the Map



- 2. Travel as an antidote to loneliness.**^{vii} Loneliness has become a growing concern in our post-pandemic world, exacerbated by the rise of single-person households and dwindling social interactions. Skift's 2024 megatrends report highlighted this issue, signalling a need for solutions to combat the pervasive sense of isolation.

Fortunately, remedy lies within the realm of tourism. This can occur in two ways: small group tours, where people can meet like-minded people to connect and travel with, especially involving a special interest or passion; and, closer to home, through the Visiting Friends and Relatives (VFR) market.

The VFR market operates on a simple yet powerful premise: encouraging residents to invite their friends and relatives to visit. While some may argue that these visitors would come regardless, it's essential to recognize the deeper significance of these invitations, especially in the context of loneliness.

When individuals feel lonely, they often struggle to reach out and initiate social interactions. This can lead to a downward cycle of isolation, impacting emotional well-being and mental health. By prompting residents to extend invitations to loved ones, tourism campaigns can break this cycle and facilitate meaningful connections within communities.

DMOs and local governments play a crucial role in spearheading these campaigns. By promoting the idea of inviting friends and relatives to visit, they foster a sense of belonging and solidarity within their communities. This goes beyond mere tourism promotion; it's about cultivating a culture of inclusivity and support.

- 3. Wellness tourism.**^{viii} Wellness has evolved to a much broader perception that includes both personal wellness and that of the planet. Today, the inherent link between wellness, transformative experiences, outdoor adventure activities and sustainability is more highly valued. Wellness travellers are typically Higher Value Travellers (HVT) who are more affluent, better educated, and more experienced travellers. They are also more likely to indulge in high quality food, drink, and local produce as well as nature-based and cultural experiences. It bridges generations as it is about a psychographic and mindset, including growth in wellness tourism for the family market.
- 4. Sustainability and the rise of the more conscious traveller.**^{ix} The perception of sustainability has broadened beyond environmental sustainability and now includes greater interest in local culture and support for local cultural experience providers. Importantly, *'sustainability is increasingly influencing traveller choices in terms of where to go, how to get there, where to stay and which experiences they engage with at the destination'* (Tourism Australia, *Future of Global Tourism Demand*). This represents a growing opportunity, especially when coupled with increased demand for transformative experiences and events as well as the growth of the adventure and special interest markets. It reflects the global standard in sustainable travel, which requires tourism businesses and destinations to manage impacts across four pillars of sustainability: sustainable management, socio-economic impact, cultural impacts, and environmental impacts (Ecotourism Australia).

5. **Quality food is now an expectation**, especially with local produce that has a story that can be shared. Importantly, this doesn't mean fine dining – interest in local cuisine and 'home or cultural cooking' is at an all-time high, with the focus on the food experience. However, it still means that the freshness of the food must match travellers' expectations. This trend also underpins the growing interest in **agritourism**.^x
6. **Advances in technology have changed the tourism landscape**.^{xi} Generative AI is just one of the newest technological advances that is influencing travel. The power of Generative AI can be harnessed to increase personalisation and enhance engagement with audiences globally. Likewise, technology such as Virtual Reality (VR) are offering new ways to inspire people to visit destinations, enhance interpretation and engage audiences in a more immersive way. However, to achieve these goals it is critical that the tech-basics are addressed, including e-commerce functionality, activating, and maintaining online and social media channels, and ensuring content is consistent and created for multi-channel distribution (including across online and digital channels). Video format content (for example, vertical Reels) is now the most important for driving conversion from interest to bookings while social media platforms continue to evolve, including significant growth in TikTok.
7. **Quality customer service is a must**. Today's travellers are increasingly discerning and eager to share reviews, especially if they had a negative experience! On the positive side, they can quickly become the greatest advocates who help to drive awareness of the destination or experience. As a result, quality customer service and service standards are considered a foundation for success. This is an important theme for industry engagement and capacity building programs.
8. **Communities are at the heart of sustainable tourism**.^{xii} Strengthening civic pride is a first step towards creating a more positive perception of a destination and its people. A thriving and vibrant community is what makes a destination truly special and worth visiting. It is a core consideration that should be integrated into the design or development of destination brands, marketing, and tourism management planning.
9. **Bleisure (blending of business and leisure travel) continues to strengthen**.^{xiii} In essence, more people are planning to add a few days on to their business trip for leisure, including to pursue a special interest. This also represents an opportunity for business events and conferences (Meetings, Incentives, Conferences & Events (MICE) market). Creating packages or itineraries for leisure time that are easy for business travellers to add to a business trip are a key to success as are partnerships with corporate travel and events businesses.

References

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ⁱⁱⁱ See: <https://www.tourism.australia.com/en/insights/consumer-research/future-of-demand.html>

^{iv} American Express Travel, *2023 Global Travel Trends Report*

^v See: ATTA, <https://www.adventuretravel.biz/>

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^{vii} Skift Megatrends 2024, *How Travel Can Fix the World's Loneliness Crisis*

^{viii} Global Wellness Institute (GWI), *2024 GWI Initiative Trends, 2024*; Twenty31 Report, *Top 12 trends shaping the future of travel and destinations, 2023*; Tourism Australia, *Future of Global Tourism Demand, November 2022*; and Skift Research, *Defining the New Era of Wellness Tourism: Trends and Best Practices for Stakeholders, October 2019*

^{ix} Tourism Australia, *Future of Global Tourism Demand, November 2022*; Ecotourism Australia, *The Four Pillars of Sustainability: A Key to Starting Your Sustainability Journey, June 2023*; UN Tourism, *Nature Positive Travel & Tourism in Action, 2024*

^x Tourism Australia, *Future of Global Tourism Demand, November 2022*; Australian Regional Tourism (ART), *National Agritourism Strategy Framework, 2022*; and World Food Travel Association, *Importance of the Food Tourism Industry, 2019*

^{xi} Skift Megatrends 2024; Skift Research, *Generative AI's Impact on Travel, April 2023*; Skift Research, *The 2023 Digital Transformation Report*

^{xii} Skift Research, *2022 Megatrends Report*

^{xiii} Skift Research, *Blended Travel Comes of Age, 2023*