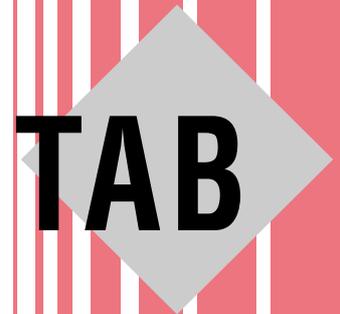


Thomas Petermann

October 1997



Tourism - trends and impacts

Summary

SUMMARY

On the initiative of the Committee for Tourism TAB was commissioned in October 1996 to carry out a TA project »Tourism–trends and impacts«. In the first phase, the project carried out an inventory of the status of research and knowledge on the major dimensions of tourism. The present report focuses on tourism by Germans and tourism in Germany.

The first section reviews the travelling patterns of Germans. Subsequently the following five subject areas are covered:

- > tourism as an economic factor
- > environmental impact of tourism
- > technology and tourism
- > motivation, attitudes and values
- > tourism policy.

TRAVELLING PATTERNS OF GERMANS: VOLUMES AND STRUCTURE

The report deals initially with the data provided by research and official statistics on volumes and qualitative aspects (e.g. starting time, form of organisation, means of transport used) of travel by Germans. There is a wealth of information, statistics and market data on all these factors, providing a good initial view of the quantitative and qualitative dimensions of tourism as a »mass phenomenon« and its evolution over time.

The analysis of German travel for 1996 covered some 155 million journeys with overnight stays. This gives a rough extrapolation of c. 845 million overnights on vacation trips and c. 225 million overnights on other trips. In 1995 14 million foreign visitors stayed overnight in Germany. Assuming an average stay of 2.3 nights, this gives around 32 million overnights.

However, many figures (and their interpretation) must be treated with caution. The data collected and many estimates differ significantly in part, as they use different sources and methodologies. A further factor is that certain tourist activities are not adequately covered by the official statistics. But even based on the minimum estimates, tourism is incontestably a sector of enormous significance. The following sections look into its economic, ecological, technical and societal aspects.



TOURISM AS AN ECONOMIC FACTOR

Literature on economics do not fail to tackle this subject. Many studies and estimates cover the contribution tourism makes to the gross national product or the national income, to turnover trends and employment. The average spending by tourists is examined in detail, as are developments in hotel capacities. While a wide range of information is available it often lacks in transparency and is not really viable.

Tourism as a boom branch?

From the economic viewpoint tourism has a particularly favourable image world-wide: It is treated as a boom branch with specifically programmed growth rates and as a guarantor for (new) jobs. German tourism alone is said to have an estimated annual turnover of at least DM 200 billion, placing it above the chemical industry (197 billion) and just behind the mechanical engineering sector (203 billion).

In times of high unemployment and highly competitive markets, however, this torch of hope is a sealed book, because tourism research cannot rely on a solid database. The deficits have been known and criticised for years but not remedied: Both official statistics and economic-science research continue to provide diverging figures or statistics that do not allow comparisons to be made. The situation becomes even more complicated when looking into the statistics of international organisations and bodies. It becomes impossible to network with these statistics. Clear facts cannot be established on such an uncertain terrain, and the result is a greater lack of transparency.

To date, no binding macro-economic delimitation has been made of the tourism sector. Adequate statistics are not even on hand for the hotel and catering field, which is a comparatively well-structured area. The literature is somewhat arbitrary in its answers to the question which industry tourism should be classified under and to what extent. Some studies limit the industry relatively narrowly, others add part of the turnover of other industries (e.g. the automotive industry). It is accordingly not surprising that estimates of the share of tourism in GDP differ widely, ranging from 5.6% (OECD estimate for the former territory of the Federal Republic of Germany) to 12.9% (World Travel & Tourism Council, 1995 figure for the whole of Germany). The same applies to estimates of growth in employment in tourism.

Tourism as a source of employment?

The lack of statistics is again a problem in assessing the state of the labour market in the tourism sector. Information can only be derived for the core catering and hotel segments. Even here, though, unambiguous data is still not available. As a result, figures for employment in tourism are more or less generously extrapolated. The figures vary accordingly.

The tourism industry frequently employs unskilled or part-time labour. Many jobs are seasonal. Newly-created jobs are often merely jobs transferring from other sectors. There is no solid foundation apparent for the frequently expressed hopes for new and high-quality jobs or the forecasts with their occasionally astounding growth rates. Even if there is potential for the tourist industry to create additional employment it is important to avoid exaggerated hopes.

Results of the confusion over data: lack of orientation

The shortage of data is not merely an academic problem: it has great practical (and policy) relevance. Depending on how the data are interpreted, entirely different conclusions can be arrived at, which may confirm or refute growth potential, highlight or minimise economic risks, or praise the virtues or warn of the dangers for Germany as a location for tourism. As a result, advertising and marketing in tourism are operating to some extent in a vacuum. If we use inconsistent figures in the absence of convincing evidence it is difficult for policy makers to use appropriate instruments and take useful measures.

Impulses by policy-makers to correct this long-standing and unsatisfactory situation would be welcome: they should take the form of at least a stepwise improvement in official statistics and solid fundamental economic research. This could contribute to establishing the economic importance of and outlook for the tourist industry in Germany more firmly in public awareness than has been the case in the past. Initiative is also needed on the (pecuniary) evaluation of the so-called external costs of tourism.

The environmental impact of tourism

An inventory of the status of the issue »environment and tourism« immediately reveals a vast body of literature. There are numerous and often very detailed treatments of the »ecological deadly sins« of tourism, such as consumption of resources, pressure on waste disposal services from the high volume of refuse,



damage to scenery, use of land, sealing off soil, decline in biodiversity, threat to plant colonies.

Problems with data and evaluation

Gaps in information and knowledge make it difficult to appropriately evaluate the environmental burden created by tourism. First, there is a lack of informative data for exact delimitation and description of the environmental problems due to tourism. Second, knowledge of causal relationships in ecological chains of effect is often scrappy, so that it is rarely possible to prove clearly which effects have concrete impacts on the environment. However, if the question of the actual danger and extent of an environmental burden is met with an intuitive answer, it is difficult to decide what priorities need to be set for research and action. It is then also difficult to agree on the necessary instruments.

Tension between local and global perspectives

The literature deals mostly with local, regional and acute environmental problems. This is understandable, since such environmental impacts are felt directly and are quantifiable (within limits) and even to some extent controllable. However, a specialist approach obscures the view of the global problem hierarchy of tourism. There is often particularly urgent need for action in the case of burdens which are not even indirectly evident. Focusing on issues which are urgent and at hand results in inadequate presentation of the significant links between tourism and global environmental issues such as the greenhouse effect, irreversible land use, and shortage of fossil energy. Research into climatic impact, for example, is still underdeveloped in the tourism sector.

This is not an argument in favour of leaving acute and local problems to their own devices. Seen in regional terms, many coastal areas, places and towns in particular are suffering major environmental stress. However, a better balance must be sought between assessing problems manifesting themselves in the short term and analysing global burdens.

In search of consensus

The impact of tourism is not a classic environmental problem. Its consequences are novel, particularly because they do not involve clear polluter structures and cause-effect relationships. As the sum of diverse social patterns of behaviour and as a consumer activity, its ecological impacts are neither primarily technological in nature nor manageable by technological means. Ecological diagnosis itself,

and even more so measures and instruments aiming at changing behaviour, accordingly require broad social consensus. This is particularly true for prophylactic measures, as repair measures alone are not enough to make headway.

Consensus or creating environmental awareness within tourism are only possible if there is a solid basis of data and information and if agreement can be reached on which objectives justify prioritising which research and action. Without objectives and criteria for evaluation which are capable of consensus, serious educational efforts are very difficult.

This would need more interdisciplinary, problem-oriented research and more intensive communication between actors in tourism, and would also require development of complex strategies on an interministerial basis at the level of policy on tourism.

TECHNOLOGY AND TOURISM

Tourism relies on a technological and organisational infrastructure. As a mass phenomenon it can only be managed by using transport, information and communication technologies. This section of the report shows which technologies the tourist industry currently uses and what trends are apparent. The focus here is on three areas of tourism: transport, accommodation and organisation, and administration.

Transport: bigger, faster, safer

Growing passenger capacity and efforts by operators to offer shorter journey times and greater range require the use and development of means of transport which are constantly increasing in size and speed. Improved engines, optimised aerodynamics or the development of lighter materials are used to reduce fuel consumption, for ecological reasons but naturally also for commercial reasons. Electronic safety systems (in aviation) and more ergonomic seating are intended to improve passenger safety and comfort.

Accommodation: specialisation and intelligent technology

In the hotel industry, technology has been mainly used so far to economise on jobs and improve and expand service economically. Electronics will also make tourist accommodations more »intelligent«. The numerous specialisation strategies in the hotel sector should be given particular note. They could even make



the classic all-round hotel an endangered species. In the catering sector there have been major changes due to computerisation of management functions and new methods of food preparation. This trend will continue.

Organisation and administration: incursion by new media

Information and communication technologies have been used in tourism for some time. Professional market operators have long since started using computerised global and national reservation and distribution systems. However, actual penetration of the industry as a whole and communication between actors is still pending: The Internet, online services, multi-function chip cards, automatic vending machines and interactive TV will become increasingly important. The range of information available is becoming more diverse, more manageable, and accessible in principle at any time from anywhere in the world. The consumer will increasingly access reservation and booking systems directly, and service providers will also increasingly use direct marketing of tourist products through the new media.

Structural transformation

The innovative use of information and communications technologies in tourism is still in its infancy, particularly in Germany. In the medium to long term, however, it will have far-reaching and thoroughly ambivalent consequences.

- > Information and communications technologies result in rationalisation profits and improvement in international competitiveness, but also in a loss of jobs.
- > We can expect some organisational structures and procedures to be greatly changed and others to be new. There will be gainers but also losers.
- > Many functions will increasingly be outsourced to specialist providers, former core functions will lose their importance.
- > The »new direct booking world« currently appearing could become a problem, in particular for travel agents, as an important element in the added value chain.
- > New competitors will emerge. This will enhance the attraction of the market but also endanger established market positions.

Generally, it must be assumed that the established tourist industry is facing major challenges. This also applies to marketing Germany as a location for industry. In order to recognise problems and take advantage of the opportunities offered by the structural transformation at an early stage, focused, interdisciplinary and problem-oriented impact studies are urgently required. This opens up a broad

field for research, particularly for illuminating the options for action and structuring for decision makers.

MOTIVATION, ATTITUDES AND VALUES

Why do people travel? Where do they go for choice, and what do they do when they get there? Motivation researchers from a wide range of disciplines have been asking these questions for years. Every year, tourists are surveyed yet again to find the reasons for their behaviour. This section of the report presents an inventory of the main results and explanatory models.

Under the motivation researcher's microscope

Researchers agree that many factors, some of them recursive in effect, determine how often somebody takes a vacation trip, where they go and what they do when they get there. These include the level of education, occupation, income, size of the place where they live, and age. In addition, the choice of location for vacation is influenced by family and financial considerations, the tourist image of the destination and the quality of environment they expect to find there.

While such relationships are interesting, they do not explain what needs prompt people to travel at all and in the process aim for specific activities. These questions involve a number of dimensions: besides empirical motivation research, there are also psychological and sociological approaches. These aim at the motivations and also the attitudes and lifestyles of tourists.

Since the start of the Eighties, the motivations pleasure-company-exercise-broadening horizons have become increasingly important. Nature-related motivations peaked at the end of the Eighties, and have declined (slightly) in importance since. However, relaxation has been and clearly remains the central motivation for vacation over the years.

To explain the origins of the motivations for vacation (and not just document them) an attempt is made to classify the large number of motivations and their changes into clear categories. The range of explanations is broad. Travel is interpreted as a basic human need, drive for prestige, retreat from everyday life or a specific form of consumption. Most explanations suffer from one drawback, which is that they are based on assumptions which have not been empirically verified or are at best based on corresponding answers given by tourists in surveys. However, travellers respond to a direct question about their motivation



in terms of their own self-assessment, i.e. they do not necessarily give the real reason for their journey. For all its merits, empirical motivational research is accordingly not free from controversy.

New desires – new tourism?

There are approaches which classify vocational motivations in terms of social structures. These claim that as part of a society oriented towards consumption and experience with a wide range of choices, the tourist of the future will become less and less predictable and the tourist industry will have to adapt to a »hybrid consumer« who will no longer be satisfied with simple relaxation.

It remains to be seen whether we are actually on the threshold of the often-forecast age of hedonistic consumption. We do not know what market shares will emerge for extreme vacations, chic travel and other tourist trends. The idea that the standard traveller and »brand loyal« tourist will really disappear is just an interesting hypothesis for the moment. To estimate the future evolution and market potential of tourism, it would in fact be important to have better foundations for explaining and predicting patterns of behaviour and their changes. This would require filling in some gaps in research.

- > Empirical motivational research should have a stronger theoretical framework. A link with the social sciences could be useful here.
- > In order to analyse the connection between the transformation of values and tourist behaviour more clearly, empirical studies are needed. Cooperation with various disciplines (e.g. psychology and sociology) must be materially improved.
- > In view of the importance of information to the tourist, it would be useful to improve the awareness of the potential and limits of education and information before launching more activities. An investigation is needed into what priority environmental awareness, environmental behaviour and environmental learning have in tourist behaviour.

POLICY

Policy on tourism at the federal level has been the object of criticism for years. The main complaints are that its activities are not based on any realistic concept, that there is inadequate co-ordination between the individual specific policies, and that the policy instruments are for the most part applied without coordination.

Concept of tourism: isolated from the social context?

Policy at the federal level is often called on to provide a model for the development of tourism, or at least a fully-developed concept. The present basic programme is not regarded as having a guiding and orienting function, as it is not based on any analysis of the social and economic dimensions of tourism. Another point of criticism is the strong industrial policy orientation in dealing with tourism: in Germany, policy on tourism is regarded as industrial policy and is handled as such. There is still no integration of other dimensions and specifically environmental aspects.

Lost in the maze of competence: tourism as second-tier policy

Apart from the German Parliament's Committee for Tourism there is no public actor at federal level concerned exclusively with tourism. There is no specific tourism policy. Instead, tourism policy issues are subject to various other specific policies; within the ministries, tourism policy activities are always secondary. Besides dealing with individual functions in tourism policy, almost every ministry takes decisions which impact tourism policy directly or indirectly. Then there are the numerous actors at Land and local levels and (not least) at the international level. This results in a wide area of activities which are part of or relevant to tourism policy or which have extensive consequences for this. However, there is no tourism policy in the sense of a well-coordinated policy. Simply, there are too many actors and competencies are too splintered for this to be possible. Tourism policy is lost in the maze.

Inadequate communication, lack of consultation

The complex network of actors results in deficiencies in communication and consultation. These are exacerbated by the shortage of staffing in the agencies responsible for tourism. Departments at federal level do not co-operate regularly but work together on a case-by-case and informal basis. Although this promotes flexibility, it does not ensure (timely and adequate) coordination and is unable to prevent conflicts of goals.

Communication between politics and the tourist industry still leaves much to be desired. Although contacts between the federal government and the Länder function well at first glance, consultation is almost entirely concerned with purely economic policy issues. Given the actual substantial impact of a wide range of EU activities, greater attention needs to be paid in federal government policy to the growing importance of EU policy. Ongoing and effective representation of German interests within the EU is duly taking on increasing importance.



SUMMARY

Policy can affect tourism in many ways: through market, regulatory or tax instruments, through subsidies etc. However, the concept and application of these shows that tourism is not their primary objective. The individual instruments have little relationship to each other, and there is a lack of coordination in their use. Above all, the tourism policy impacts of promotional measures are not analysed in advance.

Tourism research and practice: a difficult dialogue

The dialogue between tourism research on the one hand and policy and industry on the other is not generally regarded as optimal. One reason cited is the well-known structural shortcomings of isolated sectoral research. Another is that research into tourism has rarely attempted as yet to tackle global analyses which tourism policy could use as a basis.

The real hurdles are in fact the structures which have evolved within research. There is a lack of basis and incentive for problem-oriented interdisciplinary and applied research. Positive approaches to research promotion need to be used for the issue of tourism as well.

One policy option would accordingly be to provide stimulus for a research programme with practical relevance on »Tourism as an zone of needs and action« which should be coordinated between the ministries (particularly the Federal Ministry of Economics and the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety). In addition, consideration could be given to greater attention to tourism in the work of the Federal Government's Councils and Advisory Boards.

Conclusion: a new start on discussing basic issues

The central question is whether current policy can cope with the social and global position of tourism. The present framework in tourism policy is not suitable in the long term for ensuring economically sustainable and environmentally acceptable development. The solution is not a central federal policy on tourism. It would however be desirable to develop an integrated concept for tourism policy which could (given the clear political will) help provide initiatives through programmes, improve co-ordination of policy activities and moderate and shape discussion on new paradigms and instruments. There should be political and public discussion of a new style in tourism policy.

The Office of Technology Assessment at the German Bundestag is an independent scientific institution created with the objective of advising the German Bundestag and its committees on matters relating to research and technology. Since 1990 TAB has been operated by the Institute for Technology Assessment and Systems Analysis (ITAS) of the Karlsruhe Institute for Technology (KIT), based on a contract with the German Bundestag



TAB

Office of Technology Assessment
at the German Bundestag

Büro für Technikfolgen-Abschätzung
beim Deutschen Bundestag
Neue Schönhauser Str. 10 - 10178 Berlin
Telefon: 0 30 / 28 49 10
Telefax: 0 30 / 28 49 11 19
e-mail: buer@tab.fzk.de
Internet: www.tab.fzk.de