TOURISM IN THE 80's

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I have been asked to share with you my views, as an educator and researcher in tourism, on how I see tourism developing in the 1980's.

Under present economic and political conditions, one might well raise the question whether tourism can continue along present lines. Or, will there even be any tourism in the future? There is a popular view, especially among legislators, that tourism is not only doomed but that it should die, or has a very low priority when it comes to legislative response to energy problems.

Those of us interested in tourism professionally do not necessarily agree with this view but do admit that we are definitely experiencing sobering times. So, today, I am pleased to have this opportunity of meeting with this excellent organization to discuss trends and potential for the future.

TOURISM DEFINED

Before we go very far in this discussion, I believe that we should agree on what we mean by tourism. I find that not everyone, even closely involved with tourism, has the same understanding when the term is mentioned. I would like to emphasize the following points as important parts of my definition.

Tourism is dominantly pleasure travel. Certainly business is a travel purpose but today it is much diffused with enjoying the trip and adding on extra visits to points of interest. It isn't really necessary to divide tourism this way. The main point is that travel is a huge phenomenon of world-wide significance. Tourism is now one of the top items of world trade, estimated at $325 billion of business, even exceeding defense spending, internationally. And, in spite of inflation and price increases, international tourism was 15 percent higher last year than in 1978.

For many, tourism is only the buyers and sellers of travel--hotels, airlines, travel agencies. To me, this is incorrect because it is too narrow. Certainly, these are important elements, but tourism is much larger in scope, and much more complicated. We need to understand this if we are to work with it--to foster its further development and improvement.
For example, there would be very little tourism if it were not for thousands of developments based upon our cultural resources, such as historic buildings and sites. Living historic interpretation is becoming much more popular. We are interested in our roots and our ethnic and cultural backgrounds.

And, natural resource assets are as essential to tourism as are the hotels and airlines. The many land resources provide the very foundation for much of tourism. Especially important are the forested areas, as much for their natural beauty and solitude as for their support of wildlife. For many people, tourism is intimately linked with wildlife, nowadays as much for their scenic appeal and targets for photography as for rifle targets. A very important part of my tourism definition is seasonal change. The seasons bring on a great variety of landscape appeal, from Spring through Winter.

Often left out of tourism definitions is the massive governmental role as a land owner-manager. Millions of acres of governmental land--parks, recreation areas, forests--offer opportunities for millions of people to enjoy and become enriched by their use. Some 100 federal agencies control over 85 percent of all outdoor recreational land in this country.

Of course, tourism definitions must include the commercial enterprises, especially those that provide transportation, food service, lodging and entertainment. Even vacation homes and resorts are included in my definition because they are leisure-oriented and require travel away from home.

Within tourism we must include all the ways in which we learn about places. The several communication media, together with the important influence of friends and relatives, help form our images of places, long before we ever go there.

We often forget that our entire communities are a vital part of tourism. Everything we do for ourselves--our residential areas, our schools, shopping areas, churches--create images for our visitors. For many visitors, our work activities are of interest when made available to them. For example, over 45 million people in this country annually visit manufacturing and processing plants for personal interest and enjoyment. This is a part of tourism.

But, for all tourism, the most critical characteristic must be the psychological and sociological value obtained through the travel experience. Serious students of tourism are becoming convinced that tourism is founded in a basic human need--the right to travel and to be enriched thereby. Tourism is not the exclusive possession of a region or a country. It is the possession of all mankind. During the Vatican Congress on Spiritual Values of Tourism in 1967, Cardinal Santos of Manila quoted an old Chinese proverb that went like this: "All the people washed by the five oceans are brothers."

Perhaps this briefly indicates that my personal definition of tourism goes much farther than the buyers and sellers of travel, important as they are. With this introduction, let me give you some indicators, both good news and bad news, that may suggest the nature of tourism in the 1980's.
DYNAMIC ADJUSTMENT

Personally, it is difficult to get a good reading on the future, because it seems everything is now in a state of confusion. Surely, energy and inflation are major factors. But, as I listen to the key leaders of the many segments of tourism and as we read research results and perform our own, we find that the factors influencing the future are mixed—some good and some bad. However, I am convinced that we should not expect only doom and gloom. I am very optimistic.

My reading of this period is one of dynamic adjustment. By this, I mean that for the first time in the history of tourism, we are no longer accepting the simplistic approach that tourism is merely a matter of promotion, and then tourism gets bigger and better and everybody is happy. This honeymoon, I am convinced, is over.

I contend that we are entering an era of more carefully studied decision-making on both the demand and the supply sides. Investors and governments are becoming more cautious about their decisions to develop and customers are becoming more careful and frugal about their travel decisions.

For the next few minutes, I would like to relate a scatter of examples of what has been happening in tourism lately. They are not necessarily representative but do provide some indicators of change in this period of dynamic adjustment.

Few factors are having greater impact than the balance of currency exchange around the world. For the first time in the history of the United States, international travel is reversed—as many tourists are coming to our country as Americans are going abroad. This is primarily due to the drop in relative value of the American dollar. We now see European, Asian and Far Eastern visitors throughout the United States. In 1979 we had one-half million more foreign visitors to the United States than in 1978.

We also know that on the international scale, tourism is affected by riots and unrest. Up to a point, minor difficulties tend to attract tourists. But more serious conflicts threaten the lives of travelers who obviously would prefer not to expose themselves to such uncertainties. This becomes very serious for a country if the entire economic impact of tourism is wiped out when political troubles threaten travel.

Central and South America anticipate major growth of tourism in the coming years based upon recent experience. Last year AeroMexico gained 10.4 percent over the year before and anticipates a 30.7 percent increase this year. Mexico is now planning the building of 70,000 new hotel rooms.

On the domestic front, the clues are both good news and bad news. For example there is no question that the unavailability of gasoline and the media scare in early summer of 1979 reduced automobile travel greatly. Yet, the impact has not been as great as anticipated. Visits to national parks in the South for 1979 were down only 2.7 percent. Visits to KOA campgrounds were dangerously low in early summer but came back in November—December for a record high. December 1979 was 15 percent over the same month of 1978.
Tourists stopping at the Texas Information Bureaus dropped an overall 7.1 percent in 1979 as compared to 1978. But, three of the Bureaus were up; one as much as 5 percent.

Six Flags Over Texas, while experiencing a drop of 14 percent in June, ended up with a seasonal drop of only 4 percent—with an August larger than ever in their history. They are installing $100,000 worth of gasoline pumps to assure travelers their start toward home this year.

The recreation vehicle industry has already made drastic adjustments with lighter weight units, some cutting as much as 2,000 pounds so that they can be towed by the newer lower horsepower cars.

A positive influence lately has been the increase in numbers of two-income families. This is largely in the travel-prone bracket of over twenty years of age.

We are seeing a trend toward more highly specialized travel. Probably influenced by the TV show, Love Boat, the cruise ship business is booming. In 1979, there were some 800,000 more passengers than the year before, bringing the North American total to an unprecedented two million.

Members of the American Contract Bridge League take some 600,000 person-trips each year spending approximately $60 million on accommodations, food and transportation.

Further evidence of specialized travel is that of backpackers. Once considered low-income and low-spending dropouts from school, modern backpackers are an affluent lot with incomes at a median of $28,000. Some 82 percent of his ilk have college educations. He averages six trips a year, all over the world, spending an average of $2,300 per year.

These and many other examples could be cited to demonstrate that we are in a dynamic adjustment period for the entire tourism system. By system, I refer to interaction between five major components that make up the system: (1) people interested and able to travel for pleasure; (2) transportation systems; (3) attractions that both create interest and provide the satisfaction; (4) supporting service businesses; and (5) information-direction systems. All of these are today in a state of flux as never before. But, the tourism system is continuing to operate—it is not coming to a halt. I am convinced that the desire to visit places away from home and to engage in recreation for mental and physical change and health are now norms for millions of people—not excesses or luxuries.

CHALLENGES IN THE 1980's

Each of us can develop our own scenarios for the coming decade. My experience and study suggest two major challenges. First, I believe that we need to become much more sensitive to the characteristics, desires, interests and habits of people. Second, we will need a complete overhaul of our tourism supply product. The social, political, environmental, and
personal influences now appear to be as great as those of inflation and energy. I would like to identify some of the challenges as I see them.

* My scenario of the 1980's suggests that the homogenized development we have seen in the 1960's and '70's--look alike and copycat types of business--will have to give way to new types and new designs. The greater specialization of the marketplace and the greater sensitivity to the differences in settings may mean higher quality and greater variety.

* We seem also to be entering an era of less frills and more straightforward service. Airlines may lose their meals, movies and even reservations. Cars are already being stripped down and may lose even more of their conveniences. We are becoming much more frugal in our expenditures on travel.

* Perhaps the largest change of all will be more effective communication. Increased technology and plethora of communication have not necessarily produced better knowledge or better travel experience. We still have poor maps, poor guidebooks, and poor tour guiding. This must change. The public is increasingly frustrated with lavish promotion but little guidance on: how to get to destinations; when they are open; what they will cost; what to wear; what the weather will be like; what travel etiquette is important so as not to offend the hosts or conflict with other recreationists; and how to fight back if things go wrong.

* I see the need for reminding ourselves and the entire tourism establishment what private enterprise is all about and how critical it is to maintain its principles. I feel that somehow we need to counteract the creeping erosion of the fundamentals of free enterprise--the very foundation of tourism. Four basic tenets of free enterprise need to be protected. What are they? (1) the right to start and discontinue a business; (2) the right to purchase any resource one can pay for; (3) the right to produce any product or service and to offer it for sale at any price; and (4) the right to invest in any way.

* In the future I see the need to return to smallness--the very large firm is showing high overheads, inflexibility of response to market changes, remoteness from local affairs, poor customer service, restricted locations, concentration of power and excessive emphasis upon high profits. The small business, on the other hand, can provide warmer and faster service; be much more sensitive to the customer's need and make rapid innovation in service; utilize local labor more effectively; buy locally, increasing the export value of tourism; expand and make changes more rapidly; and avoid monopoly and price setting. I believe we may see a return to "tourist rooms" and even to the equivalent of the European "bed-and-breakfast."

* I see an expanding role of the non-profit sector. It seems best adapted to historic protection and restoration and to the many youth and church programs. Volunteerism is almost equivalent to Americanism and I believe that higher prices of commercial facilities and cutbacks in governmental programs will foster more non-profit development for tourism.

* My next point is not a political message. It is well calculated and based upon a great amount of observation of the relationship between
the private and the public sectors. I believe we need less government, as a participant, in tourism. I agree with Friedman's concept of the role of government as "an umpire, not a participant." In recreation and tourism, like no other field, government has become a huge competitive participant foe of private enterprise. For example, when it builds hotels in the name of stimulating tourism economic development and then underprices its services because the capital investment was written off by tax moneys, it in fact is preventing the accomplishment of the very objective it set out to reach.

OPPORTUNITIES IN THE 1980's

Now, I would like to conclude by identifying five major opportunities before us for tourism in the 1980's.

1. In spite of the fact that we have had water resources for many years, I do not believe we have utilized them but slightly for recreation and tourism. Yes, we have swimming beaches, pools and fishing lakes. But, many more activities are now being sought by many different publics. For example, river corridors represent an abundance of resources, both cultural and physical, for interesting experiences for many more thousands, often right near home. Too often we have considered only the water surface rather than the entire water-land interface or river corridor in our tourism development.

2. We all know that historic sites are becoming more popular but are we really developing these complexes with the proper description, interpretation and pageantry of interest to the visitor? People need history brought to life. Too frequently, we expose a collection of artifacts to the visitors and expect them to make their own interpretation of what they mean.

3. My scenario for the 1980's calls for greater emphasis on the arts. This is not necessarily on art organizations but on relating the arts to places to visit. We are now just beginning to identify more artists, poets, musicians, performing artists and craftsmen. But, are we creating interesting clusters of locations that relate these arts to specific places?

4. Of course, we are hearing much more about tourism shrinking up to locations closer home. Certainly, some of this will happen. But, statistics show us that for many years, most tourists have come from origins less than 200 miles away. Sometimes, we think that tourists are only those coming great distances. Actually, our more plentiful markets are nearby. This raises the question about whether we have developed the products best suited to these markets.

5. My final point is to reemphasize the great need for better communication. We need better communication on several counts. Greater collaboration is needed between the many businesses and governments involved, especially locally and regionally. The many actors of decision-making in tourism could benefit by greater interaction. Of great importance in the
1980's will be a broader understanding of tourism, community-wide. The decisions we make for streets, parks, churches, museums, and how we live are also tourism decisions. Too often, we think locally that tourism is merely a frivolity and only the responsibility of the chamber of commerce or the visitors bureau. And, better relationship between the visitors and the hosts is increasingly important. Certainly, many areas treat visitors very badly, not always by overt bad behavior but by neglecting to offer the needed tourism products and assistance. Sometimes local areas are not able to deliver all the promises made in colorful and enticing advertising.

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This is my scenario for the 1980's. It certainly is not doom and gloom. It is filled with opportunities but will demand greater effort to achieve the desired results. Again, the overall goal must be to provide the visitors with the rich and pleasurable values that travel can bring. Tourism will not die if present conditions are matched with greater sensitivity to the traveler and to the need for innovations in development.