



THE 9th UNWTO/PATA FORUM ON TOURISM TRENDS AND OUTLOOK

Theme: Tourism and the Experience Economy

(19 – 21 October 2015, Guilin, China)

Executive Summary

Prepared by

School of Hotel and Tourism Management

The Hong Kong Polytechnic University

11 November 2015



INTRODUCTION

In the context of globalization, social media and customization, industries and economic sectors have been shifting in their strategies to capitalize on consumers' ongoing quest for, to offer, and to co-create memorable experiences with modern consumers. Building on research and practices, the 9th UNWTO/PATA Forum on Tourism Trends and Outlook has addressed the theme of "*Tourism and the Experience Economy*", in which tourism policies, industry development, and business practices have been discussed in light of the experience economy. Aiming as a platform for government officers, NGOs, industry practitioners, and academics to share their perspectives, research findings, and practices, the 9th Forum featured three keynote and five panel sessions to successfully address and deliver on the event's objectives in 1) sharing state-of-the-art research and industry practices in developing tourism in the realm of the experience economy, 2) analyzing and updating global and regional tourism trends and challenges in connection to tourism and the experience economy, and 3) exploring and formulating new problems for future research and practice on tourism as an experience economy.

Jointly organized by the World Tourism Organization (UNWTO) and the Pacific Asian Travel Association (PATA) in collaboration with The Hong Kong Polytechnic University and Guilin Municipal People's Government, the Forum was held in Guilin, China, from 19 to 21 October 2015. In addition to local participants, the event drew 135 attendees from 25 countries and/or regions including Australia, Belgium, China, Denmark, Germany, Hong Kong SAR, Indonesia, Japan, Korea, Macau SAR, Malaysia, Maldives, Mongolia, Nepal, New Zealand, Pakistan, the Philippines, Singapore, South Africa, Sudan, Sweden, Taiwan, Thailand, Ukraine, the United Kingdom, the United States, and Vietnam. Participants include officials from national tourism administrations or government tourism authorities of UNWTO member states or regions, representatives from tourism industries and businesses, academia, research associates and consultants, the media, as well as local tourism authorities.

The aim in staging such a forum is to provide an annual Pan-Asia-Pacific platform for policymakers, senior officials, researchers and industry representatives to take stock of global and regional trends and to better understand their potential impacts on tourism development. The event, under the joint umbrella of UNWTO and PATA, has facilitated participants sharing information, analyzing current tourism situation, and mapping out the next course of action for the future.

Consisting of plenary (general) and technical sessions, this annual Forum has established itself as an important platform for the dissemination of applied tourism research, and for nurturing a community of learning and practice in tourism and hospitality. The plenary sessions (19 October) are open to a broad audience. Preceded by a grand opening ceremony, a keynote session on “*Tourism and the Experience Economy*” and two panel sessions featuring “*Destination Marketing*” and “*Local Experiences and Social Enterprise*” respectively take a holistic and integrated view to address the forum theme from the perspectives of different sectors or stakeholders. The technical sessions (20 October) aim at a specialized audience. These sessions provide policymakers, industry practitioners and academics a platform to exchange views and experiences on tourism and the experience economy with research presentations, outlook updates, and best practice examples from around the world. Structurally the discussion is developed around four sessions on 1) *Enhancing Tourism Experience – Theory and Practice*, 2) *Heritage Tourism and Cultural Experience*, 3) *Augmented Reality and Virtual Experience*, and 4) *From “Sightseeing” to “Experience” – Guilin Tourism in Transition*. The technical sessions are brought to the end with a keynote on “*Smart Tourism and the Experience Economy*”, plus closing remarks by the organizing parties. On the third day (21 October), forum delegates are brought to a technical tour to the newly developed resorts in Guilin, in addition to the internationally renowned Lijiang River Cruise and the classic evening show in Yangshou. Notably the Forum has received extensive publicity on the internet, and through local and international media.

In short, the theme of the Forum is amply addressed, and its overarching objectives fulfilled, with twenty-eight presenters speaking on a variety of topics and perspectives in relation to the theme in its plenary and panel-discussion sessions. Indeed this Forum has served as a significant platform for sharing knowledge, strategies and practices in international tourism.

PLENARY SESSIONS

On the first day, the Forum opens with a grand opening ceremony, a keynote session with four renowned speakers, and two panel sessions. The opening ceremony is moderated by Zhou Jiabin (Mayor of Guilin). In succession, opening and welcome address is delivered by local hosts and chief officials of the Forum's organizing parties, including Zhao Leqin (Secretary of the Guilin Municipal Committee of the CPC), Xu Jing (Executive Secretary and Regional Director for Asia and the Pacific, UNWTO), Mario Hardy (CEO, PATA), and Haiyan Song (Associate Dean and Chair Professor, School of Hotel and Tourism Management, The Hong Kong Polytechnic University). With all these grand opening remarks, a warm welcome is extended to the Forum delegates, so are promises made to support successful hosting of future events. This is then followed by the keynote session, featuring four presentations.

Moderated by Xu Jing, the opening keynote (*Tourism and the Experience Economy*) features four presentations. The first, by Olivier Henry-Biabaud (CEO, TCI Research, Brussels, Belgium), is entitled "Measuring, Managing and Designing Visitor Experience". The speaker addresses the impact of visitor experience on destination competitiveness, factors that influence visitor experience, as well as experience management, innovation and ways to design experiential products. In summary, five messages are offered as takeaways from this presentation: 1) Visitor experience massively drives the visitor economy. 2) Before building positive emotions, destinations must first address potential negative feelings. 3) Do

not hide destination reality behind virtual reality. 4) Activate storytelling only when one is sure of story quality. 5) Guide and evaluate destination experience strategy with research.

John Kester (Director, Tourism Market Trends Programme, UNWTO) addresses the second keynote. He reviews world tourism development trends, as well as main achievements of 2014 in terms of international tourist arrivals, receipts and international passenger transport. The prospect of “Tourism Towards 2030” shows that there is still a great potential for further expansion in the coming decades. Emerging as well as established destinations can benefit from the trend of growth and opportunities associated with such growths. Along with opportunities, challenges also arise in maximizing social and economic benefits and minimizing negative impacts. To enhance visitor experience, destinations are encouraged to make a difference by means of 1) engaging visitors, 2) offering participatory products, 3) valuing authenticity, 4) treasuring culture and heritage, 5) telling good stories, 6) thinking global and acting local, 6) differentiating and diversifying experiences, 7) relying on research and development to better understand customers and trends, 8) stimulating new ideas and entrepreneurship for innovation, 9) formulating, implementing and evaluating strategies, 10) rethinking, redefining and reinventing destinations, 11) developing human resources through education, and 12) pursuing excellence in sustainability through collaboration, cooperation, and coordination.

The third keynote, Daniela Wagner (Director – Europe, PATA), deals with why the experience economy is changing the way of life and travel, its impact on the evolution of travel from a consumption and marketing perspective, adaptation of product, and marketing solutions for the new generation. As highlighted, “[E]xperience is the new wealth and new luxury”. Some key drivers of the experience economy are discussed, including attributes such as technology, connectivity, social media networks, review sites, evolution of the consumer (of all age groups), and product differentiation. Wagner’s address also emphasizes that the experience economy provides key differentiators to commoditized products and services

allowing destinations and service providers to focus on what adds value to consumers.

The fourth keynote, by Haiyan Song, is titled “Tourist Satisfaction Index (TSI) Tourism Service Quality Index (TSQI) and Experiential Economy”. Based on studies in Hong Kong, the speaker compares TSI and TSQI results over time and across markets, and discusses implications for the experience economy. It is noted that, in order to improve tourists’ experience, it is important for service sectors to tailor make their services to meet the needs of the tourists. As the results show that TSQI scores are generally exceeding the overall TSI scores across markets and sectors, it is suggested that the overall service quality of Hong Kong is satisfactory to its international tourists. However, from the visitors’ perspective, tourists to Hong Kong want more than just quality service, which has implications for tourism industries in Hong Kong to stage experiences and create memorable events for incoming visitors in the future. Additionally, it is worthwhile to note that providing customized service experiences may reduce the likelihood of offering bad or inconsistent service attitude, meeting expectations and special needs of guests from different regions, and enhancing attractiveness of the destination.

The afternoon sessions feature two panel discussions. The first panel, chaired by Brian King (Associate Dean and Professor, The Hong Kong Polytechnic University), addresses the sub-theme of “*Destination Marketing - Focusing on Tourism Experience*”. The panelists are Bao Jigang (Professor and Dean, School of Tourism Management, Sun Yat-sen University, China), Chulwon Kim (Professor, Kyung Hee University, Korea), Susan Del Mundo (Tourism Promotions Board, Department of Tourism, Philippines), and Dato’ Ammar Abdul Ghapar (Director of Strategic Planning, Ministry of Tourism & Culture, Malaysia). Centered around the subtheme, an array of topics are explored, ranging from consumption patterns and tourism trends in China; to conceptual discussions on notions such as experience economy, experience tourism, and experience destinations, as well as destination marketing strategies to enhance visitor experience; and to examples or instances in country-specific

destination marketing practices.

“Local Experiences and Social Enterprise - Win Win for Travel Businesses and Communities” serves as the subtheme for the second panel. Chaired by Mario Hardy, speakers include Walter Jamieson (Professor and Director, Service Innovation Program, College of Innovation, Thammasat University, Thailand), Hai Ho (Founder, Trip.me, Vietnam), and Somsak Boonkam (Founder and CEO, Local Alike, Thailand). What makes this session unique is the way its contents are delivered. While Jamieson’s presentations on types of tourism experience and experience map process are thought-provoking, so is the sharing of personal stories inspirational by Boonkam and Ho as social entrepreneurs in developing community-based tourism.

Overall, centering around the theme of *“Tourism and the Experience Economy”*, the four keynotes provide rich food for thoughts for policymakers, destination marketers, and academics working in the field of tourism and hospitality. A variety of questions are raised and entertained during the Q&A and interaction sessions. The first day of the forum ends with a reception dinner, plus delegates attending a cultural tourism festival and watching parades.

TECHNICAL SESSIONS

The program on the second day features two keynote sessions and three panel sessions: 1) *Enhancing Tourism Experience – Theory and Practice*, 2) *Heritage Tourism and Cultural Experience*, 3) *Augmented Reality and Virtual Experience*, 4) *From “Sightseeing” to “Experience” – Guilin Tourism in Transition*, and 5) *Smart Tourism and the Experience Economy*, respectively.

Chaired by Haiyan Song, the opening session features four keynotes addressing the subtheme of *“Enhancing Tourism Experience – Theory and Practice”*. To begin with, Brian King shares some of his own tourism-related experiences as a researcher, teacher and practitioner, through an autobiographical narrative because he thinks his life as a tourism

researcher has been much influenced by where he has lived & what he has experienced. (Auto-)ethnographically, it is noted that tourism experience research has become more accommodating of inputs from the social sciences, and that the more we need to understand the mass, the more we need deep insights into individual experience. Also notable is the leading edge in tourism experience, which is intersecting with various other phenomena that are increasingly prevalent amongst Gen Ys and the millennial generation. Furthermore, because of global challenges like climate change, water scarcity, food security, and the important role that tourism consumption plays in exacerbating these problems, it is imperative that the young are mobilized.

Built on the 4th wave in the evolution of human civilization, the second keynote, by John Koldowski (Head of the Service Innovation & Development Unit, College of Innovation, Thammasat University, Thailand), elaborates on the orientation to creativity, culture, heritage and the environment. Driven by three major forces shaping the business landscape, such an orientation is characteristic of participation (e.g., through technology enabling connectivity and interactivity), globalization, and the evolution of a creative society. Accordingly, the marketing philosophy has evolved from product-centric to value-driven on the way towards sharing and experience economy.

Jesper Palmqvist (Area Director Asia Pacific, STR Global, Singapore) speaks on the growth in the hotel sector. While growth is noted as a global pattern, the Asia-Pacific region is seen as driven by a higher market demand in conjunction with fluctuation of currency exchange amongst the economies, investment and compression. As an outlook, an overall growth picture is presented for this region, in terms of both existing and pipeline projects as of 2015.

The last keynote, by Carolyn Childs (MyTravelResearch.com, NSW, Australia), is delivered through a recorded video presentation on “Culture and Heritage Tourism Experience: The Key Themes”. The speaker tries to distinguish cultural and heritage tourism

from cultural and heritage experience. The presentation focuses on cultural and heritage tourism experience being authentic, distinctive and unique, enriching, tied to a place, participatory, of high quality, self-expressionist, iconic, respectful, and inclusive, amongst other attributes. Much of the discussion has direct practical and managerial implications in developing experience-based cultural tourism products.

The first panel session on Day Two explores the subtheme of “*Heritage Tourism and Cultural Experience*”. Chaired by Honggen Xiao (School of Hotel and Tourism Management, The Hong Kong Polytechnic University), the panel consists of presentations and interventions from Hiroshi Kurosu (Chief Researcher, Japan Tourism Marketing Co., Japan), Denis Tolkach (Assistant Professor, School of Hotel and Tourism Management, The Hong Kong Polytechnic University), Wang Ning (Professor and Associate Dean, School of Sociology and Anthropology, Sun Yat-sen University, China), and MA Bo (Professor and Dean, College of Tourism, Qingdao University, China). In essence, this session presents both theoretical accounts such as the Mertonian conceptualization of the local and the cosmopolitan in the consumption of authenticity in tourism, and practical implications in relation to cultural expressions and creating cultural experience in Japan. Likewise, the discussion is also of broad and general patterns such as “Asia Pacific cultural trends”, as well as case specific explorations on “seeking for a balance in cultural heritage tourism” as observed in the Qi Great Wall in Shandong Province.

The subsequent, second panel focuses on “*Augmented Reality and Virtual Experience*”. Moderated by Dimitrios Buhalis (Professor and Director, eTourismLab, Bournemouth University, UK), the session began with Mario Hardy (CEO, PATA) demonstrating the use of technological device in walking the audience through a “virtual tour”. Lu Ying (Assistant Professor, Hospitality Management and Tourism, School of Human Environmental Sciences, College of Agriculture, Food & Environment, University of Kentucky, USA) discusses social media tourists and frame their travel experiences through

networks and behavior patterns. As an echo to Hardy, Jason Song (CEO, Drove Information and Technology, China) elaborates on way to strengthen in-depth travel experience via augmented reality technology.

Like last year, a local tourism development session is staged to address the transition of Guilin tourism from “sightseeing” products to an “experience” orientation. The panel is moderated by Yu Changguo (Assistant Mayor of Guilin, and Head of Personnel Department of China National Tourism Administration), and features four speakers – Cao Guangcan (Chairman, Guilin Yuzi Paradise), Yang Haolei (General Director, Guangxi Zhanzhuo General Aviation Co., Ltd), Bao Jigang, and Zhou Lehua (General Manager, Zhejiang China Youth Travel Service). As is charted by the session’s theme, instances of and implications for developing experience-oriented tourism in the host city are amply discussed.

The closing keynote by Dimitrios Buhalis looks at “*Smart Tourism and the Experience Economy*”. The ubiquity of information technology in the delivery and consumption of products and services has made travel and tourism increasingly “smart”. Accordingly, destinations implement smartness to enhance their tourism value. It is noted that smartness is fostered by open innovation, supported by investments in human and social capital, and sustained by participatory governance, in order to develop the collective competitiveness of destinations to enhance social, economic and environmental prosperity for all stakeholders and generate value for visitors. Interoperability and ubiquitous computing ensure that everybody is interconnected and processes are integrated towards generating value and enhancing tourism experience, through dynamic co-creation, sustainable resources and dynamic personalization and adaptation to contexts.

CONCLUSION

The forum is concluded with closing remarks from John Kester (Director, Tourism Market Trends Programme, UNWTO), Wu Bo (Director, PATA China), and Chen Lihua (Vice

Mayor of Guilin). The technical tour on the third day, featuring visits to Club Med Guilin and the internationally renowned Lijiang River Cruise, has greatly enhanced the experience of the delegates attending this year's Forum.

In conclusion, the 2015 UNWTO/PATA Guilin Tourism Forum addresses the theme of "Tourism and the Experience Economy". In view of its presentations and subsequent discussions, the Forum has neatly achieved its objectives (i.e., to share state-of-the-art research and industry practices in developing tourism in the realm of the experience economy, to analyze and update global and regional tourism trends and challenges in connection to tourism and the experience economy, and to explore and formulate new problems for future research and practice on tourism as an experience economy).▲▲