

Trends in International Tourism

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ABSTRACT

Travel and tourism has many positive benefits, including that it is for many countries, the main source of job creation and revenue (Pender and Sharpley, 2005).

Tourism provides around 6 to 7% of the world's jobs and millions more indirectly via the multiplier effect in other sectors from construction to agriculture or telecommunications. Also tourism accounts for 30% of the world's exports of services (US\$ 1 trillion a year) and 45% of the total export of services in developing countries (World Tourism Organization, 2010).

In 2012, the tourism industry reached an historical point with one billion international arrivals in one year for the first time according to World Tourism Barometer (2013).

Taking in considerations these facts, the paper presents the evolution of the international tourism in the world analyzing the trends and the economic implication.

KEYWORDS

tourism, international tourism, travel, tourist, trends, forecasts

JEL Classification

L83

Introduction

According to the *Dictionary of Hospitality, Travel and Tourism* the definitions of travel and tourism are the following (Pender, 1999):

Travel: "To take a journey from one place to another by any means, for any purpose, with and without return to the original point of departure".

Tourism: "Variously defined. Umbrella term for the variety of products and services offered and desired by people while away from home...Also:

- The relationship and phenomena associated with the journeys and temporary visits of people travelling primarily for leisure and recreation
- A sub-set of recreation; that form of recreation involving geographic mobility
- The industries and activities that provide and market the services needed for pleasure travel".

The travel industry includes buses, coaches, trains, taxis and air travel. On the other hand, "tourism is a difficult phenomenon to describe...all tourism involves travel, yet not all travel is tourism. All tourism involves recreation, yet not all tourism is recreation. All tourism occurs during leisure time, but not all leisure time is given to touristic pursuits" (Mill and Morrison, 1985).

"Tourism is a social, cultural and economic phenomenon which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes. These people are called visitors (which may be either tourists or excursionists; residents or non-residents) and tourism has to do with their activities, some of which imply tourism expenditure. International tourism comprises *inbound tourism plus outbound tourism*, that is to say, the activities of resident visitors outside the country of reference, either as part of domestic or outbound tourism trips and the activities of non-resident visitors within the country of reference on inbound tourism trips" (World Tourism Organization).

The importance of tourism was debated by many authors like Tribe (1995), Vellas and Becherel (1999), Middleton and Clarke (2001), Holloway (2002), Minciu (2004), and so on, all agreeing with the fact that tourism is "an engine" of economic and social development.

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In 2012, the tourism industry reached a historical point with one billion international arrivals in one year for the first time according to World Tourism Barometer (2013).

Global tourism evolution

Nowadays, tourism direct contribution to the global GDP is 5% and provides 235 million jobs worldwide, representing 30% of the world's export of services, as the business volume of tourism equals or even surpasses that of oil exports, food products or automobiles (World Tourism Organization).

On the other hand, according to the World Travel & Tourism Council's economic research, in 2012, Travel & Tourism's total economic contribution - taking account of its direct, indirect and induced impacts - was US\$ 6.6 trillion in GDP (a rise of US\$ 500 billion year-on-year), US\$ 765 billion in investment and US\$ 1.2 trillion in exports (all 2012 prices). This contribution represents 9% of total GDP, 5% of total investment and 5% of world exports (World Travel and Tourism Council).

During 60 years of tourism activity, the international tourist arrivals increased from 25 million in 1950 to 940 million in 2010. Two years later, in 2012, international tourist arrivals grew by 4% to reach 1.035 billion (World Tourism Barometer) marking a historic moment in tourism activity.

The international tourism receipts grew from 2 billion US\$ in 1950 to 927 billion US\$ in 2010. In 2011, the international tourism receipts reached a record US\$ 1,030 billion, representing a 3.9% grow in real terms comparing with 2010 year.

Over the past six decades, tourism has experienced continued expansion and diversification, becoming one of the largest and fastest-growing economic sectors in the world. Many new destinations appeared on the tourists' preferences lists, challenging the traditional ones of Europe and North America (Tourism Highlights, 2012)

International tourism trends: arrivals and receipts worldwide, 1950-2012

Table 1

Year	Arrivals (million)	Receipts (US\$ billion)
1950	25	2
1960	69	7
1970	166	18
1980	277	104
1990	435	262
2000	674	476
2010	940	927
2012	1,035	1,060*

*estimated by author; in 2011 international tourism receipts were 1,030 US\$ billion and +3% growth rate after the projection for 2013 of the World Tourism Barometer

Source: Tourism Highlights 2001 and 2012 Edition and Pender, 1999

The demand for travel and tourism increased during the latter half of the twentieth century as a result of increased leisure time availability, an increase of tourist income and an increase in paid holidays, the development of air transportation and inclusive tours. The latter have encouraged more travel by offering holidays package which are associated in tourist's mind with lower costs and risks, particularly when travel overseas and abroad.

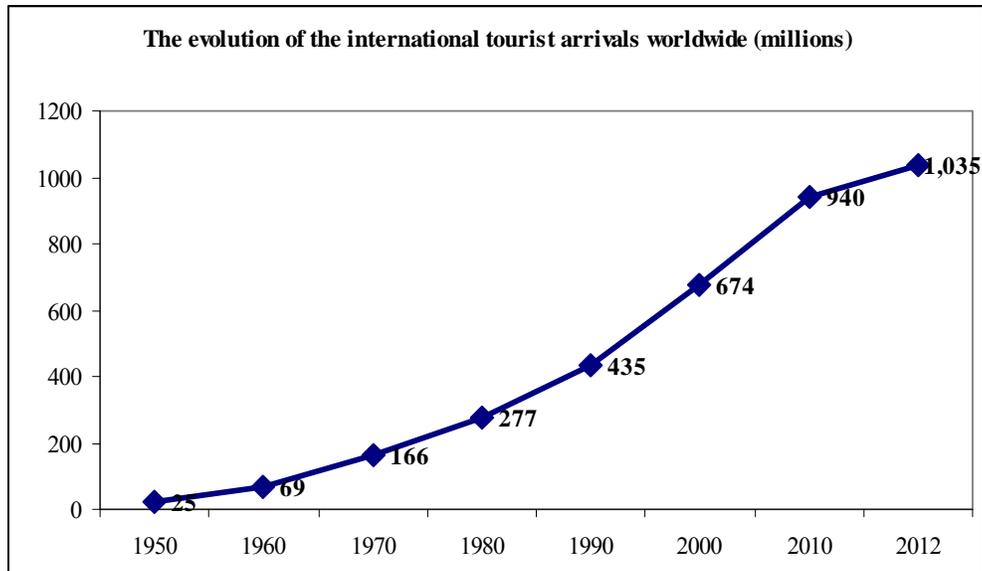


Figure 1 International tourist arrivals, 1950-2012

Source: Tourism Highlights 2001 and 2012 Edition and Pender, 1999

For 2030 the World Tourism Barometer forecasts the international tourist arrival in reaching out 1.8 billion international tourists.

Available data on international tourism receipts and expenditure for 2012 covering at least the first nine months of the year confirm the positive trend in arrivals (World Tourism Barometer).



Figure 2 International tourism receipts, 1950-2012

Source: Tourism Highlights 2001 and 2012 Edition and Pender, 1999

The numbers confirms the magnitude of the travel and tourism phenomena and their importance to the economic development.

As tourism is becoming more global, is reflected by the growing trend in international tourism receipts from 262 billion US\$ in 1990 up to 927 billion US\$ 20 years later.

Modern tourism is closely linked to development and encompasses a growing number of new destinations in countries like South Korea, China, South Africa and Indonesia. These dynamics have turned tourism into a key driver for economic progress (World Tourism Organization).

Taking into consideration the tourism economic impact, the WTTC is predicting the Travel & Tourism industry will expand its total contribution to GDP by 3.2% in 2013, faster than the 2.4% predicted for global economic growth. The industry is expected to support nearly 266 million jobs in 2013 and again outperform many other industries. Growing faster than any other economy is China. WTTC forecasts that China will overtake the United States to be the world's biggest Travel and Tourism economy by 2023 (World Travel and Tourism Council).

Conclusions

The travel and tourism industry is responsible for creating jobs, lifting people out of poverty, and broadening horizons.

Tourism represents one of the pillars that should be supported by governments around the world as part of the solution to stimulating economic growth.

In conclusion after examine the international tourism trends during 60 years of tourism activity, the international tourist arrivals increased from 25 million in 1950 to 940 million in 2010. Two years later, in 2012, international tourist arrivals grew by 4% to reach 1.035 billion (World Tourism Barometer) marking a historic moment in tourism activity.

Regarding the international tourism receipts in the same period of time, 1950-2010 the receipts grow from 2 billion US\$ in 1950 to 927 billion US\$ in 2010. In 2011, the international tourism receipts reached a record US\$ 1,030 billion, representing a 3.9% grow in real terms comparing with 2010 year.

For 2030 the World Tourism Barometer forecasts the international tourist arrival in reaching out 1.8 billion international tourists.

Now, tourism direct contribution to the global GDP is 5%, provides 235 million jobs worldwide, and represents 30% of the world's export of services.

For the years to come, the tourism industry will become one of the major players in international commerce and one of the main income sources for many developing countries.

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