



**FORUM**

**Think Tank Basilicata**

*Energie per un futuro sostenibile*

4 dicembre 2020

**PRESENTAZIONE DI CARLOS VOGELER**



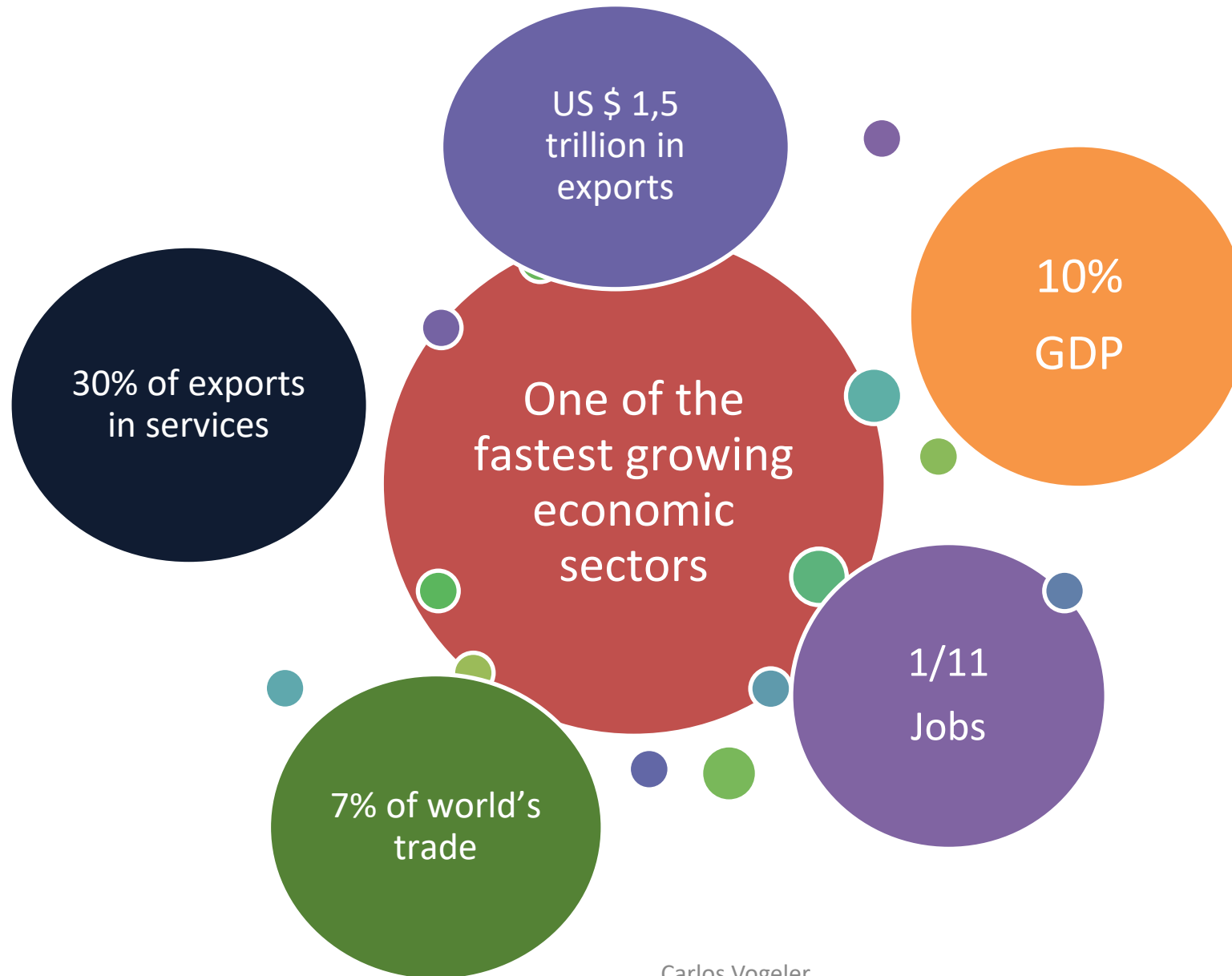
# Think Tank Basilicata

*Energies for a Sustainable Future*

ROUNDTABLE: AGENDA FOR A MORE CONNECTED BASILICATA

Carlos Vogeler

# Travel & Tourism in the world's economy



# International Tourism data 2019

## International arrivals

1.458 million (3% on 2018)

## International receipts

1.478 million (3% on 2018)

## Purpose of visit

Leisure, recreation and holidays

**56 %**

VFR, Health, religion, other

**27 %**

Business & Professional

**12 %**

Not specified

**5 %**

## Mode of transport

By air

**58 %**

By road

**37 %**

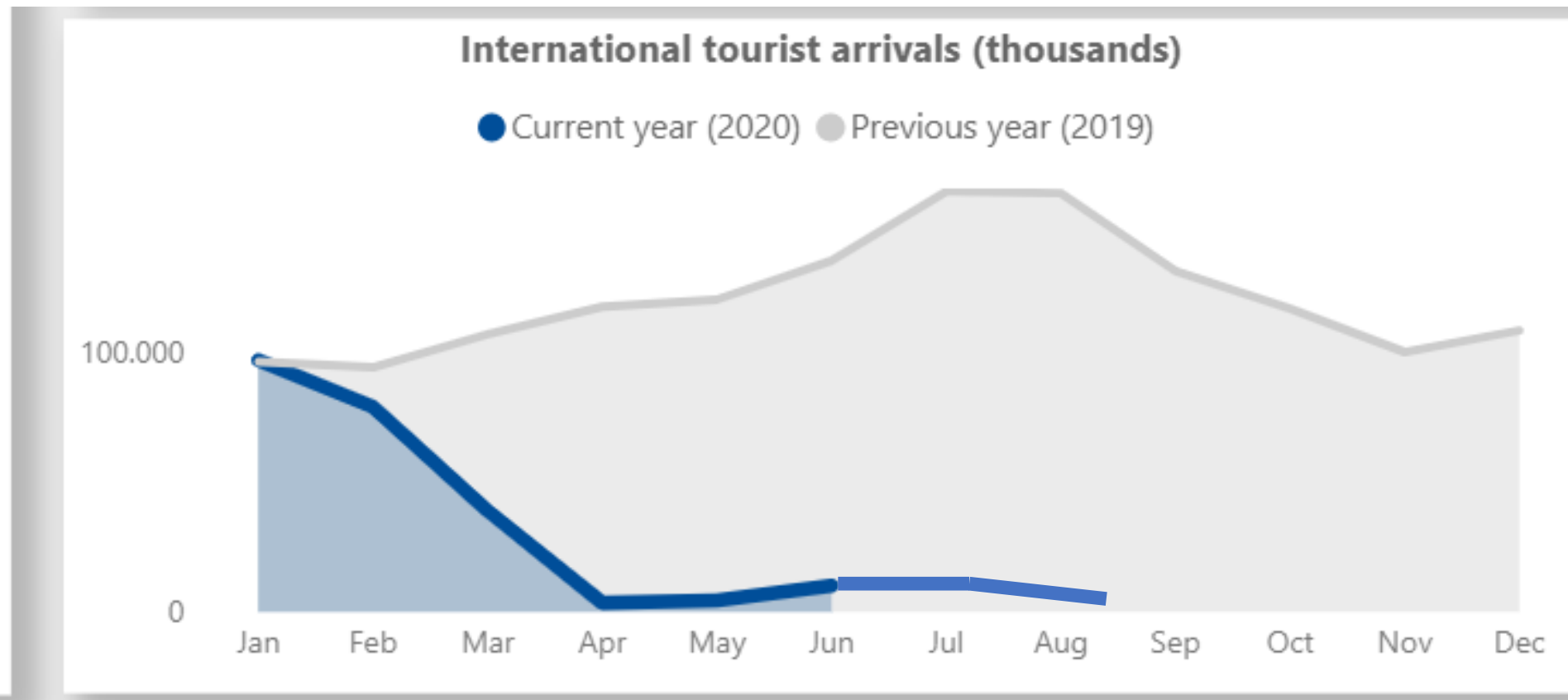
By water

**4 %**

By rail

**2 %**

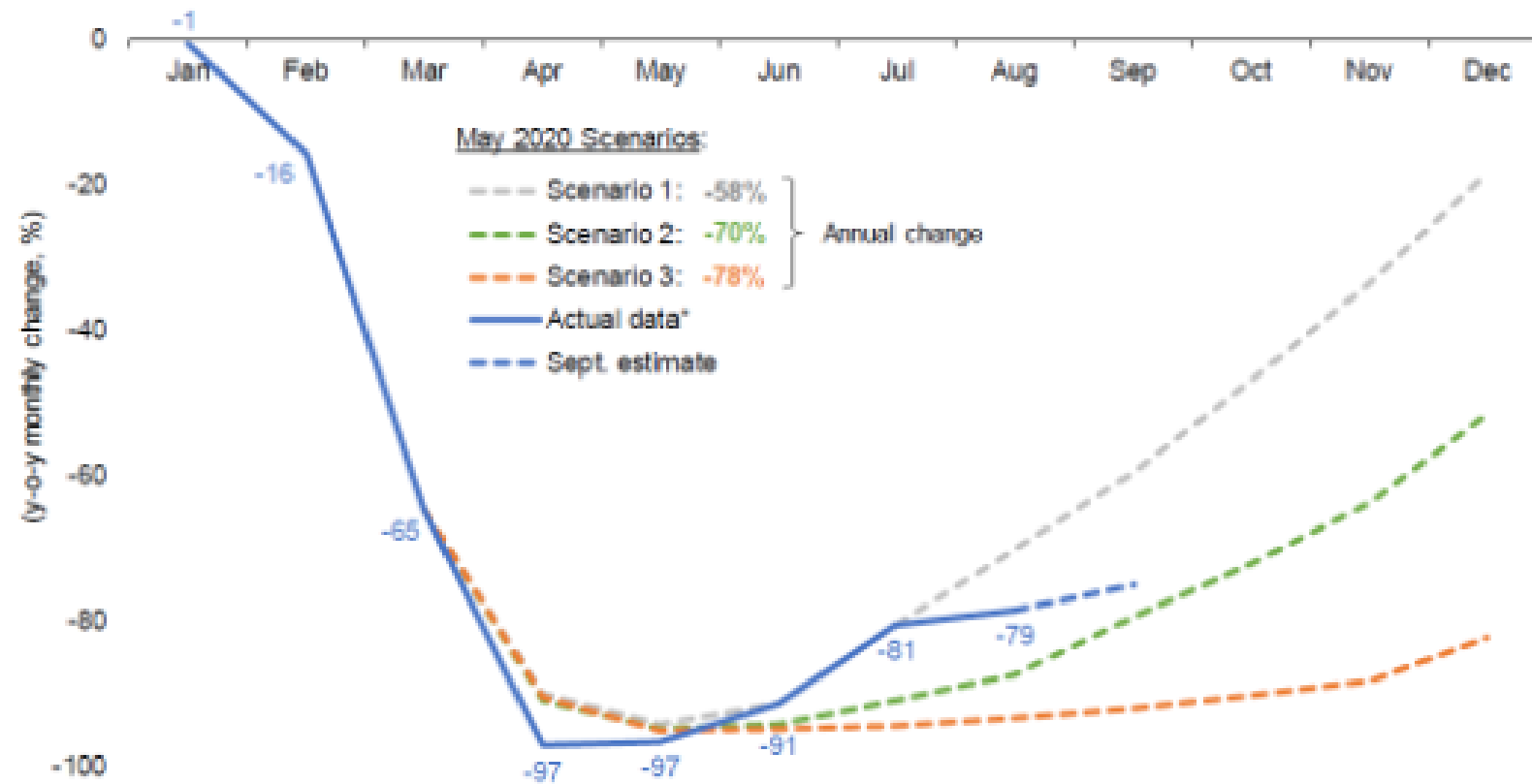
International Tourism down 70% for the first 8 months of 2020 as Restrictions on travel introduced in response to the COVID-19 pandemic impact all regions



# Forward-looking scenarios depend on re-opening of borders

## International tourist arrivals in 2020: three scenarios (YoY monthly change, %)

International tourist arrivals in 2020: YTD results and scenarios (y-o-y monthly change, %)



Source: World Tourism Organization (UNWTO)

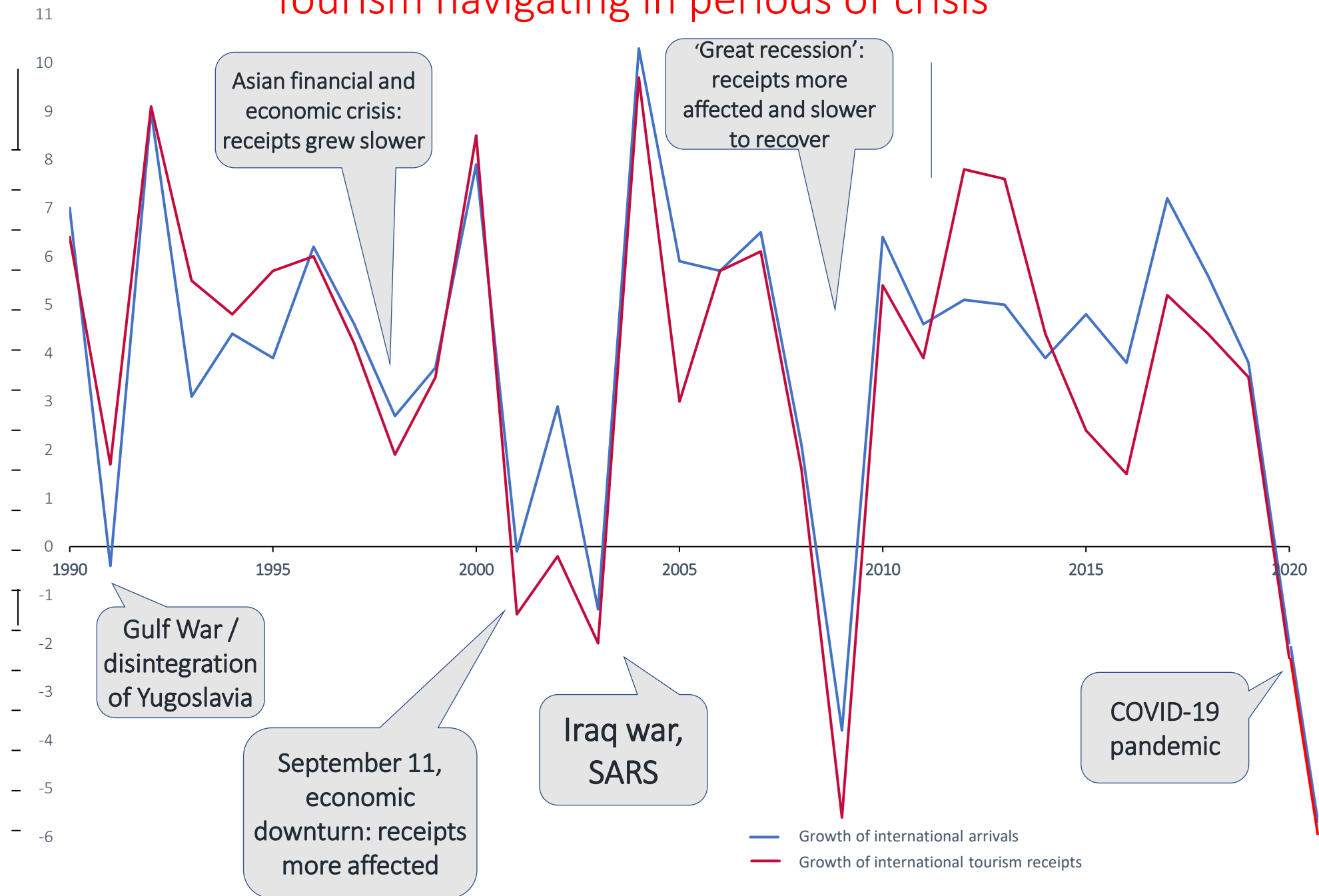
\* Actual data through August includes estimates for countries which have not yet reported monthly results.

Note: dotted blue line corresponds to UNWTO estimate for September 2020.

(Data collected October 2020)

- COVID-19 represents an unprecedented global health, social and economic emergency.
- Considering that international tourist arrivals declined 81% in July and 79% in August (compared to the same months of 2019) and that recent data point to an estimated drop of 75% in September, international tourism results currently stand between Scenarios 1 and 2.
- Scenario 1 now seems unlikely despite the lifting of travel restrictions in some countries in June and July, as this was mostly limited to Europe and proved to be short-lived. In July and August several European destinations reintroduced quarantines and other measures in response to growing cases of COVID-19. By mid-October most of these restrictions had not been lifted, and major international tourist destinations in other parts of the world such as China and the United States remained closed.

# Tourism navigating in periods of crisis



# Economic impact of tourism

- Tourism Multiplier effect
  - Amount of money spent by a tourist as it circulates through a country's economy
  - Tourism creates jobs in the tertiary sector and also encourages growth in the primary and secondary sectors
    - Money spent in a hotel helps to create jobs directly in the hotel, but also indirectly elsewhere in the economy through the different suppliers of goods and services.
    - The hotel buys food from local farmers, who may spend some of this money on fertilizer or clothes.
    - The demand for local products increases as tourists often buy souvenirs, which increases secondary employment



# Tourism multiplier effect

## Direct, Indirect and Induced Effects

- **Direct Expenditure**

- Made by tourists on goods and services in hotels, restaurants, shops, other tourist facilities, and for tourism generated exports, or by tourism related investment in the area.

- **Indirect Expenditure**

- Successive rounds of inter-business transactions which result from the direct expenditure, such as purchases of goods by hoteliers from local suppliers and purchases by local suppliers from wholesalers.

- **Induced Expenditure**

- Increasing consumer spending resulting from the additional personal income generated by the direct expenditure:
  - e.g. hotel workers using their wages for the purchase of goods and services.

# The Tourism iceberg

We can only see 20% of the impacts of tourism





# Transport connectivity



# Sustainability

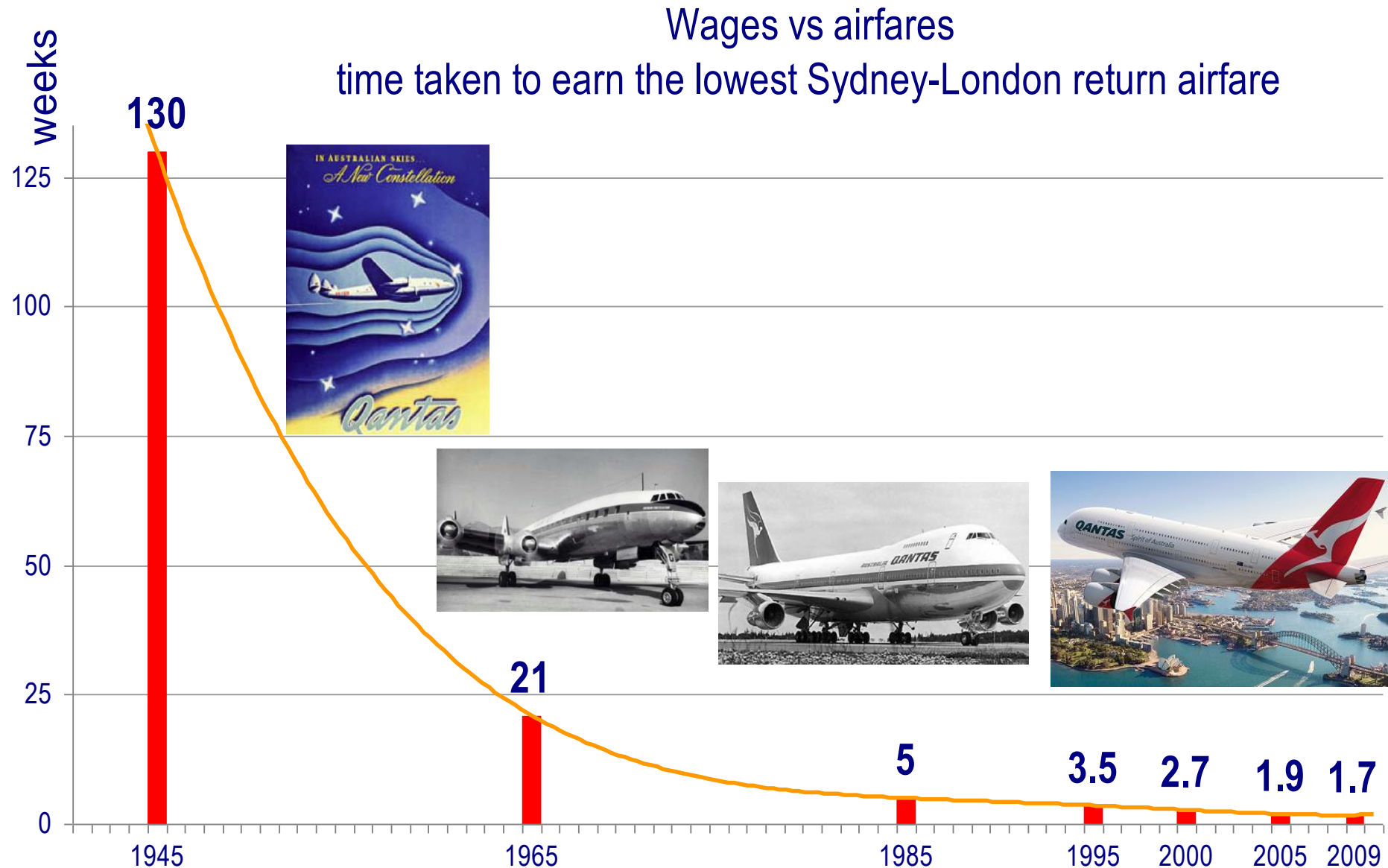


# Air connectivity is key to Tourism development

(58% international tourists use air transport)



# Cost of air transport strongly decreased over the years





# Issues to be addressed by air transport

- 
- Safety and security (including COVID 19 protocols)
  - Taxation
  - CO2 emissions
  - Regulation: Market access/ liberalisation
  - Infrastructure development
  - Consumer protection

# Sustainability is now given as underlining factor for destination attractiveness

Consumers are increasingly looking for tourism destinations that are committed with sustainability

## Consumers' trends

65%

consumers try to have a positive impact on the environment

50-76%

baby boomers and millennials want to have authentic holidays experiencing local culture

## Travelers' trends

87%

global travelers said they want to travel sustainably

76%

travelers under 30 consider the ethical impact of their trips.  
60% of consumers are worried about climate change

# Sustainable tourism policies lead to significant socio-economic benefits, improved competitiveness and business growth

## 1 - More revenue and investment

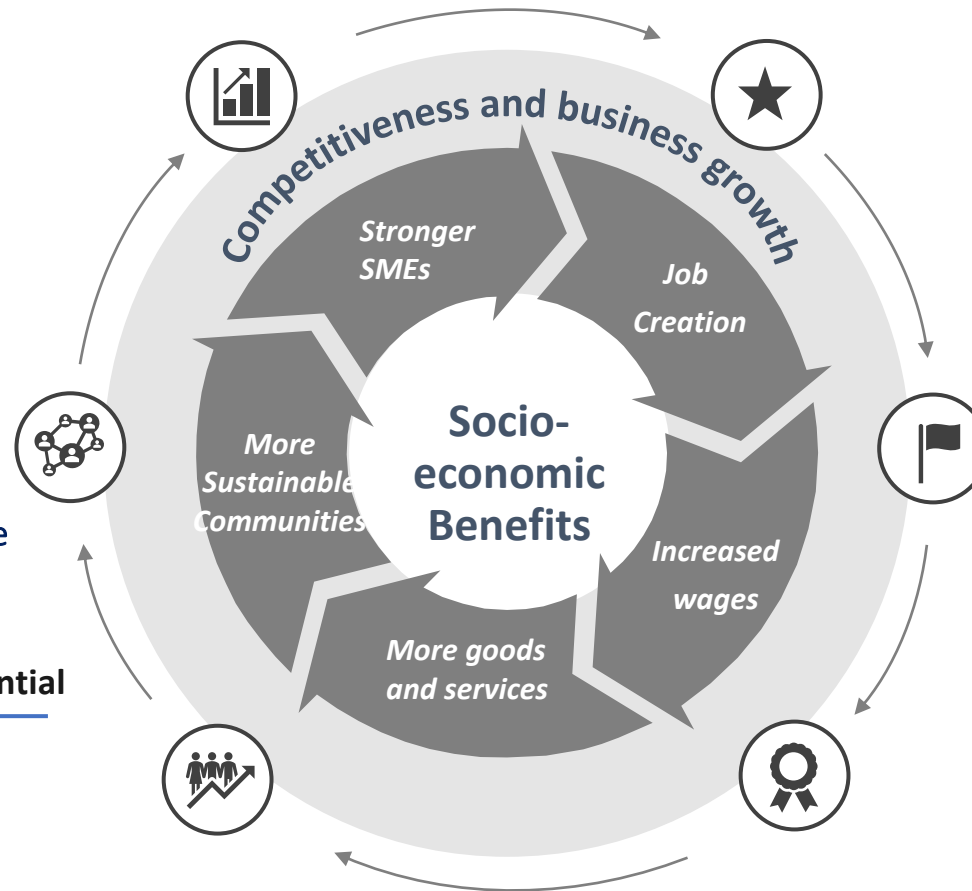
- Partnerships
- New Private-public partnership (PPP) projects
- Stronger infrastructure

## 6 - More providers & Better offerings

- More businesses contributing to “Clean, Green, Safe and Serene” projects
- Better linkages with other sectors: agriculture, agro-processing, and culture
- Less reliance on government employment

## 5 - More public buy-in on tourism potential

- More entrepreneurship and participation in the tourism industry from local community
- More SMEs



## 2 - More and better quality experiences

- Products better meet market needs
- Safety and security improved
- Authentic experiences in nature, culture and tradition

## 3 - Stronger destination brand

- Branding and promotion
- Better marketing strategies

## 4 - More demand and better products

- Increased presence on social media
- Improvement in social media notoriety



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**THANK YOU**