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**WORLD TOURISM CONFERENCE**  
**- Tourism Success Stories and Shooting Stars-**

**Shangri-La Hotel, Kuala Lumpur, Malaysia, 4-6 June 2007**



**KEYNOTE PRESENTATION ON “A VISION FOR THE TOURIST BOARD OF THE FUTURE”**

**by**

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**CHAIRMAN**

**VISIT BRITAIN**

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**BY MR. CHRISTOPHER RODRIGUES, CBE., CHAIRMAN, VISIT BRITAIN**

Your excellencies, distinguished guests, ladies and gentlemen...

It's a pleasure to be here at my first WTO conference and an honour to be asked to address you.

Before I share my vision for the tourist board of the future I must confess to being a novice in my role as Chair of Visit Britain the British National Tourism Agency.

The Chairmanship is a part-time role, which allegedly takes one and a half days a week. I took on the job at the beginning of this year – which means I have about 35 days experience in the job. So this is not the voice of an expert!

However, I have been in and out of the travel industry for some twenty years so if you'll indulge me I'll allow that experience to give a little colour to my new perspective.

When I joined American Express in 1979 I had no idea it would lead me into travel – I was a financial services man through and through - but in 1985 I was given responsibility for Amex's travel interests in the UK and the USSR.

The next week Chernobyl exploded, Americans stopped going to Britain and no one wanted to go to Russia. It was a rude awakening into the impact of global forces on the Travel industry.

Back then the industry was a fifth of today's size. Americans were the tourists of record and the Japanese office ladies were about to leave home for the first time. 747's were an established phenomenon but the Internet was unknown. Packaged tours ruled the world. Independent travel was a specialist niche market

Many of today's exciting destinations like Dubai weren't a dream in anyone's eye and we still hadn't realized that unmanaged, tourism could destroy the very environment on which it was built.

Importantly the travel industry was still searching for a voice at high table. Travel and Tourism was neglected or ignored because people thought travel just wasn't serious enough to justify ministerial interest.

What a difference two decades has made.

The WTO and WTTC are testament to the impact of our \$7 trillion industry. As worldwide Travel & Tourism employment approaches a quarter of a billion most Governments understand the employment potential of our industry.

Asia is no longer an emerging destination - it's becoming a powerhouse of outbound travel on the back of its rapid regional economic development.

Twenty years on, people recognize that travel is not a privilege it's a right.

Travel has become a manifestation of economic progress and a preferred way for the free world to express its freedom. Travel has become a force for understanding and democracy.

So being appointed Chair of a National Tourist Board must be a dream appointment. It has to be the right place to be and it must certainly be the right time...

And yet.... and yet....

As I settle in to my new role I have an overwhelming recollection of the opening line of Dickens' A Tale of Two Cities -

"It was the best of times it was the worst of times".

Like most people who love travel and traveling I am at heart an optimist, but I do think the prospect of a 50% increase in global travel volumes in the next ten years could hold the seed of our own demise unless we take care.

50% more travelers in ten years time  
50% more people at Heathrow in the morning  
50% more visitors to Venice  
50% more eco-travelers in Costa Rica's rainforests  
50% more walkers on England's Lake District paths

The fact is that unmanaged, growth could be the undoing of the tourism business as we know it today. And that would mean big trouble – not just in the tourism industry but also across the board because of the huge multiplier effect of tourism on the visitor economy as a whole.

One of our challenges as an industry and one of the key roles of Tourist Board of the future is to identify communicate and address the broader stakeholder interests in tourism and to make sure we plan for the future and not just for today.

This would be easy if we were Big Pharma – a few major firms would get together and lobby the key stakeholders. Messages would be heard and action taken.

But one of the joys of travel is that for every Hilton, Avis and Qantas there are literally thousands of small players – and small players are a much harder group to corral.

And as if that weren't bad enough, every new tourism minister soon realizes that most of the tools for delivering any national tourism initiative lie in some other Minister's hands.

As an industry we measure success by counting heads in beds, bottoms in seats and feet through turnstiles – as well we should – in the short run.

But, in time, growth overtakes our tourism infrastructure and the industry needs new investment to maintain its competitiveness. Too often it's a case of too little, too late.

And yet recent history tell us the odds are on our growth projections materializing are very good indeed. Head in the sand or what?

Interestingly, but not surprisingly, smaller countries are often better at planning tourism development than the big ones as the recent WEF competitiveness survey showed. For smaller countries, tourism can often account for 20 to 30 percent of GDP. For those economies tourism isn't the icing, it's the cake!

This means tourism is often a Cabinet position and when the Minister raises his voice he or she is heard.

But in big industrialized countries - where tourism is typically less than 10 percent of GDP, Tourism ministries are often part of a bigger department, and getting airtime is tough.

Tourism is all too often taken for granted.

At best it's recognised for the impact it has on the nations annual P&L and for the tax revenues it generates.

But because there is no agreed balance sheet for the tourist economy, the nations tourism assets and infrastructure end up being depleted without any commitment to re-investment.

With unavoidable consequences! Over time the nation's tourism assets deteriorate. They become second rate and uncompetitive. But at the same time the developing world invests to create new businesses in the tourism sector. Anyone want to go to Asia nowadays?

Globalisation brings another challenge - the need to maintain the right balance between our cultural heritage and the development of new attractions.

We all appreciate some elements of globalization. Its great that 36 nations now operate Blue Flag beaches and that we have had common global standards for road signs since the Vienna Convention in 1986.

And we like to be able to get a Starbucks coffee anywhere from Seattle to Sydney.

But it is abundantly clear that travelers the world over want to engage in local culture and local food and local history.

The more global companies and global media seek to create a homogenized culture, the more travelers crave the unique sights, sounds, tastes and smells of a country.

Today's Tourist Boards have a responsibility to speak out against turning every country town into a showcase for global brands.

We need to understand what's best in our national brands and national culture and nurture it. And we need to applaud innovation – whether it's the London Eye or the

wonderful new Planetarium at Greenwich or Liverpool's spectacular new Arena and Convention centre on the banks of the Mersey.

I believe the explosion of interest in sustainability is a harbinger of popular demand for a more balanced world.

In many countries the population is some way out in front of the politicians and business in their engagement with this issue.

Tourist Boards need to "get with the programme" on sustainability in its widest sense.

Our research shows that means giving travelers the information they need to be responsible and acting as a best practice catalyst for best sustainability practices throughout the travel industry.

It is already clear that major cities have disproportionately high GHG footprints because of road transport, waste treatment and water consumption.

40 of them are acting on this under the auspices of the Clinton Climate Initiative. One of their key findings is that there's Gold in the Greenhouse.

There is a real return to investments in these key areas. Is your Tourist Board working on a green agenda for your industry?

And are you working to understand the impact of the next evolution of the Internet on your industry and the role of a Tourist Board?

Travel has been transformed by the arrival of the World Wide Web.

Inefficient intermediaries are being disintermediated, low cost carriers are blossoming all over the world and independent travel is now a major force. The web has fueled all of this.

The internet gives new carriers low cost distribution; small lodging businesses can compete head to head with the Marriott's and Hiltons and the widespread availability of destination information online means less trees have to be chopped down for brochure production.

But what are Tourist Boards doing to transform the way they interact with consumers and suppliers. It is no longer enough to provide web links to destinations or operators.

Consumers now buy experiences not destinations and they expect information to be served up in quite a different way to the maps, brochures, timetables and national tourist office contact addresses of the past.

The Internet disintermediates National Tourist Boards from low value added information distribution – consumers can go straight to the source - but it creates huge opportunities for those who provide access to information that is packaged in ways that consumers find relevant and value added.

Another issue we need to deal with is capacity management. Let me use Britain as an example. While London gets full in the middle of the summer there is often plenty of availability around the country. After all, our national occupancy rate is under 55% year round.

Visit Britain is using the web to promote shoulder season travel and we are harnessing the growth in regional airlines to deliver travelers outside of London. Both are ways of increasing visitor numbers without having to increase capacity.

Though capacity is an issue in itself at our major gateways. The increased need for security has caused significant queuing at major border points around. But while biometrics will increase security there remains a real risk that each nation will pick a different biometric system. Having a passport that is recognized worldwide makes travel easy but the emerging panoply of entry visa standards will make it more difficult.

Is your tourist board arguing for common security standards?

No one disputes the need for greater security in the modern world but without concerted action the travel process is going to become worse not better.

But access points aren't the only infrastructure issue. The latest estimate I've seen is that in addition to the improvements being made to existing airports to handle new larger more fuel efficient planes the world needs 80 more big airports to handle projected growth in demand. To say nothing of billions needed to upgrade and grow the world's hotel stock! Some of this can be left to private sector investment but in many markets this will require Public/Private initiatives and real government will power to deal with the planning issues in advance of demand

Hotels and airports take time to plan and build. Are you lobbying to ensure the nation's infrastructure matches your planned growth in visitor numbers?

And are your national quality schemes doing a good enough job in helping consumers to pick the right property and get consistent quality standards. This is particularly true in strong currency markets like the UK where value for money becomes a key determinant of visitor satisfaction.

The growth of social networks like Trip Advisor reflects real changes in society that can have a material impact on our industry.

Just 20 years ago research showed that 67% of consumers trusted word of mouth advice, while 53% trusted advertising and 47% editorial. By 2004 those numbers were 90% word of mouth, 50% ads and 40% editorial.

If you didn't understand what drove Rupert Murdoch to My Space before, you do now. What does this mean for the Travel industry?

Who do consumers trust more to evaluate a resort? A tourist board that sent an inspector round a year ago, or someone with the same attitudes, interests and needs as me, who was there last week.

The web changes everything! In today's world, students on their pre-university travels redirect their friends travel plans real time if a place they are visiting exceeds or falls below their expectations. What price a nice old-fashioned brochure distribution service now?

So the Tourist Boards of the world have a real job to do in the 21<sup>st</sup> Century.

1. We aren't in the brochure business any more. We have to reach out to travelers and suppliers in a web enabled world.
2. We have to win the emotional battle to get our nation on travelers' short lists of where they want to go next - and then we have to make it easy for them to plan their visit
3. We have to define our agenda for sustainable tourism – in the broadest sense of the word and we have to communicate that agenda to all the stakeholders
4. We have to lead and catalyze a fragmented industry
5. We have to overcome the fragmentation of governmental accountability for all the parts of the economy that impact tourism and, above all,
6. We have to mobilize the private and public sector resources needed to ensure the golden goose keeps on laying golden eggs.

And all in a day and a half a week. Thank heavens it's a wonderful industry and I have a great full time team to back me up!

Thank you...