TRAVALYST

The
Re-emergence
of Travel

A Travalyst View

Contents

The Re-emergence of Travel - A Travalyst View

Kiyozumi Dera, Kyoto, Japan / Su San Lee

Foreword

The Duke of Sussex

We launched Travalyst in September 2019 to take sustainable tourism out of its niche and into the mainstream; to protect destinations, support and empower communities, and safeguard critical ecosystems and wildlife – and the people who depend on them. Which, as we're now learning, matters to every single one of us.

Our mission soldiers on, and we believe is more important than ever as we all navigate an extraordinarily challenging recovery from the COVID-19 pandemic. This global health crisis continues to hold many in its grip, forcing communities and nations into one of the most difficult times in modern history.

For those in the healthcare and medical community, for our frontline heroes, and for those who have become ill themselves or tragically lost loved ones – you are the world's top priority.

As we fight the virus itself, we are also seeing the widespread economic fallout of the pandemic; plus the ripple effect of consequences both seen and unseen.

Acute hardship

Those working in and relying on travel and tourism have experienced acute hardship over the past year. In tourism, destinations have experienced an abrupt halt to the consistent flow of visitors seen in recent years. If anyone needed reminding, this has shown us just how vital the industry is to families and communities around the world. It has also brought into stark focus the need to reduce the adverse impact of tourism, including on the environment.

Forecasts estimate that as many as 174 million jobs in the industry could be lost[1]. For many communities, these jobs make up a large portion or even the bulk of their economy.

We know that to not travel again is not an option. It is our role – it is our obligation – to assist recovery and forge the right path forward; a path where we can again explore our world and expand our horizons, whilst the natural environment and wildlife flourish, and communities are supported. That is what we mean by sustainability in tourism and is what we strive towards as Travalyst.

Opportunity to do things differently

Right before us, there is an opportunity to do things differently, to do things better. Travel and tourism are no exception. The modern world has often faced a dichotomy between the aspiration and need for development and growth, and the desire to protect natural resources and the environment.

At Travalyst, we believe in the value of travel – in connecting with others, exploring the world, and experiencing new cultures and communities to increase our awareness. Yet we know that where demand for travel and tourism has grown exponentially, detrimental environmental and social impacts have followed. Even in pre-pandemic times, it was clear that the industry had not yet tackled some of its key sustainability challenges: climate change, pollution, and biodiversity loss.

As the industry re-emerges from crisis, there is an urgent need to reset and reimagine. And as the bricks of rebuilding are laid, Travalyst will take a deliberate and dynamic approach.

The re-emergence of travel

For this reimagining to be successful, for Travalyst to help drive the change, we need to have a better understanding of the pandemic-recovery trends and forces that are emerging.

Forum for the Future, an international sustainability non-profit whose Chief Executive,

Dr. Sally Uren, acts as Chair of the Travalyst Independent Advisory Group, has established a new framework that identifies four developing pathways as the world moves through the pandemic: 1. Discipline, 2. Compete and Retreat, 3. Unsettled, 4. Transform

In our report, we use this framework to assess multiple possibilities for the tourism industry; some of which could hinder progress, whilst others could lead to a sustainable future for the travel industry and the wider economy.

Taking a more sustainable approach to travel can no longer be a debate from the sidelines of the industry. We have an opening to jump-start a wholescale realignment, which could and should involve everyone.

Over the past year, society has seen what happens when travel disappears.

In places where the natural world and human activity had not been working in harmony, we have seen a temporary halt to destructive and high-density human activity. Simultaneously, millions have faced or experienced unemployment, communities that regularly come alive with visitors are silent, businesses that thrive on welcoming others have been boarded up, and valuable environmental and wildlife protection programmes are struggling to keep going with vital tourism income falling away.

Thriving tourism industry

At Travalyst, we do not believe a thriving tourism industry and protecting the world is a zero-sum game. With new optimism, and increased tourist demand for natural experiences and sustainable practices, this year has the potential to bring sustainability to the forefront.

2021 and beyond

In this report, Travalyst sets out what we have learned throughout the pandemic so far, pulling on the global experience and expertise of our partners and peers. Working with Forum for the Future, we begin to envision what 2021 and beyond may hold for the travel and tourism industry.

This collaboration, including our partners and growing network, allows us to assess information from thousands of global operators, hundreds of millions of travellers, and some of the most prominent academics and experts in the field. Finally, our report sets out how Travalyst will be focussing its energy in the coming months and further establishes our vision for travel and tourism.

During last year's Travalyst Global Summit, I said the struggles we face are shouldered together – and the solutions must be, too. I continue to believe that. From communities and destinations, to industry leaders and experts, we must take on the task before us as a united front. As a united coalition.

Together, we have a responsibility – and opportunity – to rebuild for a more sustainable and equitable future; one our world needs, our children deserve, and where generations not-yet-born can continue to explore and enjoy the beauty and benefit of this home we share. This is the future we envision at Travalyst.

The Duke of Sussex

The Travalyst Mission

Travalyst's aim is to accelerate the impact of travel for good.

Travalyst was founded in September 2019 with the mission to make it easier for travellers and travel providers to make sustainable choices. Working with several of the largest digital service providers in tourism, we are working to build a unified sustainability framework to drive forward a new, more responsible model for travel. Building upon the work of existing standards, the framework will be transparent and easy to understand for both operators and consumers, and scale across the broadest possible range of travel platforms.

We carried out a number of activities in 2020 designed to gather insight and first-hand experience that might support this work. We brought together leaders from across the travel and tourism industry, with key moments including the formation of our Independent Advisory Group, sector-specific workshops, and the inaugural Global Summit.

We see great power in collaboration. By building a global coalition of the world's leading service providers in the travel industry, with input from various experts and organisations, we are developing a world-first approach to ensure sustainable tourism becomes the mainstream way to travel and operate.

This partnership draws from its collective expertise, its unique insights into global travellers, and builds on each partner's long-established links with local communities, policymakers, governments, non-governmental organisations, leading businesses, and social entrepreneurs. Together we can transform the impact of the tourism industry; encouraging travellers to make more sustainable choices, and helping to scale the global supply of sustainable travel options to meet the growing demand from travellers.

Prior to the pandemic, in 2019 travel and tourism generated $8.9 trillion for the global economy and supported one in ten jobs around the world, or around 330 million jobs[2], the equivalent of the entire population of the United States. Whilst tourism expanded, there was a distinct lack of awareness about responsible tourism options across the tourism value chain, which made some destinations unsustainable.

Travalyst continues to bring global efforts together to reimagine the international travel and tourism industry, as the sector works to recover from the unprecedented global crisis wrought by the pandemic; and not just to get back on track, but to chart a better path forward. To ensure a resilient and thriving future for generations to come, tourism must become more sustainable and drive a net positive impact, protecting and actively regenerating the places we visit.

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[2] World Travel & Tourism Council, Economic Impact Reports, 2019

Lagos, Portugal / Daryl Bleach

SPOTLIGHT:

Global Summit 2020: 'It's all about community'

In July 2020, Travalyst held an online Global Summit to gain a broader understanding of the impact of the pandemic, both to the Travalyst mission and the industry at large. We brought together stakeholders from across the travel and tourism industry to listen, learn, and share information around the greatest challenges and priorities to recovery. It followed a very successful summit in Scotland earlier in the year, hosted in partnership with VisitScotland and the Edinburgh International Conference Centre, which laid the groundwork for much of our thinking to date.

The summit heard from existing leaders in sustainable best practice and explored how they were responding to this unique time. It shed a spotlight on regions which had begun to consider their recovery plans and needs, with New Zealand being discussed by Air New Zealand, GOOD Travel and Haka Tourism Group; and Scotland represented by Cairngorms Business Partnership, Invisible Cities and VisitScotland.

Other leading organisations from across the globe who presented included Global Himalayan Expedition, Good Hotel Group, Intrepid Group, Keteka, Khiri Travel, and Gorilla Guardian's Village.

The discussions revealed a common theme: **when communities are involved in the process of creating solutions from the start, then it is possible to develop sustainable, scalable, and profitable approaches for the long-term.** Furthermore, a majority of attendees (60%) in the EMEA and Americas

session said that "ensuring a positive relationship between locals and tourists, by including the local community in tourism operations, decisions, and economy," was the most important factor in ensuring tourism's long term sustainability.

Summit attendees also highlighted the growing recognition by the industry and travellers of the correlation between

planetary health and human health, and in turn the prosperity of the industry. Finally, many operators and grassroots organisations shared how they are turning the pandemic into a chance for widespread digital transformation, learning new ways of operating and revenue generation to sustain their livelihoods and/or conservation efforts.

"We have a one-off chance to reset our industry on a much more sustainable footing with much greater respect for our environment and communities — where tourism doesn't just happen but is welcomed and delivers very real benefits."

– Argyll & The Isles Tourism Cooperative

"This pause button allows us to hit the reset button. Here is a chance to evaluate and set right any processes to build toward a sustainable, regenerative and circular economy focus. Any business to be sustainable has to be able to withstand bumps like these with enough reserves and protection for the staff, the local community, the destination. Here is a chance to spread tourism away from over tourism and discover new destinations."

– Rare India

Bali, Indonesia / Ruben Hutabarat

Travel and Tourism in 2020

At the time of writing, international travel is now estimated to have fallen by more than 70% in the first ten months of 2020, compared with the same period in 2019. As governments grappled with a health crisis and its economic impact, the tourism industry has been forced to adapt drastically as business evaporated, and travellers have faced immeasurable changes to their normal holiday routines, now filled with uncertainty and confusion.

Travalyst leverages its unique position to surface a collective breadth of insights provided by its coalition members, whose platforms analyse consumer attitudes and behaviours in travel across the world. Alongside hearing directly from the global tourism community, we have explored the current issues and their implications, we have looked at the data as each country reacted and responded to the pandemic, and we have reviewed the outcomes as people started to change their plans. Across all markets we saw some common themes and trends emerge. We saw where businesses and destinations adapted and the key elements of what they needed to recover, and we have seen promising signs of what happens when tourism returns. The following collates key findings from the last few months as we look to rebuild our industry.

A note on the impact on wildlife

Travalyst sees environmental protection as essential to our sustainable mission. Stories of wildlife moving into areas they've not been seen in before, and numbers bouncing back due to a lack of human activity are heart-warming and positive; whilst globally, carbon emissions are projected to have fallen by around 7 percent in 2020. But in reality, this equally is not sustainable. There is no escaping from the fact this has come on the back of human catastrophe. It is also the case that many environmental and conservation projects have suffered and are struggling for funding without visitors. With fewer tourists visiting and fewer operators present in some of the most protected locations, poaching is on the rise, made worse by a loss of tourism revenue that would normally keep rangers at work.

These trends, while temporary, highlight the importance of finding a better equilibrium for both wildlife and human activity, and give us an indication of what can be achieved if we can prioritise things like better management planning, better implementation, and more sensitive visitor management. This period has shone a spotlight on the conflict between wildlife and human activity that must be addressed.

Serengeti, Tanzania / Hu Chen

[3] UNWTO, Tourism Back to 1990 Levels as Arrivals Fall by More than 70%, December 7, 2020
[4] Nature, Conserving Africa's wildlife and wildlands through the COVID-19 crisis and beyond, July 29, 2020
[5] Nature, Temporary reduction in daily global CO2 emissions during the COVID-19 forced confinement, May 19, 2020
[6] National Geographic, Poaching threats loom as wildlife safaris put on hold due to COVID-19, April 10, 2020

Changing consumer attitudes and behaviours

Domestic vs international travel:

- At the beginning of the pandemic, Skyscanner witnessed a surge in one-way travel as many people sought to return to their homes and safeguard against COVID-19[7].

- Six months after the initial surge, the global average of one-way international searches continued to remain significantly higher than at the start of the year – driven by travellers from Australia and Italy.

- At the same time, Skyscanner has seen a steady increase in searches for domestic travel since March, especially in countries such as South Korea and Japan, where searches have been considerably higher than the global average.

Off the beaten path:

- Tripadvisor found that travellers are considering more factors when choosing their destinations compared to before the pandemic, including health and hygiene safeguarding measures and the density of people.

- Travellers were 218% more likely to want to take a trip where they can relax compared to before the pandemic, and nearly two-thirds (59%) say they would prefer to go somewhere off the beaten path rather than a usually popular destination to lower their health risks[8].

Conscious consumers:

- Travellers are growing more aware of their impact. According to recently surveyed travellers on Booking.com, they're becoming even more conscientious of how and why they travel, with over two-thirds (69%) expecting the travel industry to offer more sustainable travel options[9].

Health first:

- In a hyper-vigilant environment, 85% of Skyscanner travellers would be more likely to travel abroad if airport testing was in place[10].

- 86% of Tripadvisor travellers say cleanliness will be an important factor when selecting an accommodation after COVID-19; wanting to see practices such as the provision of hand sanitisers and sealed amenities, an increased frequency with which rooms are disinfected, and the use of temperature checks for employees and guests[11].

Cautious attitudes:

- Trip.com observed that customers from the China travel market are opting to travel in smaller groups (three to six people) with family or close friends[12].

- The booking window has shortened too, in favour of last-minute reservations. 80% of current bookings with Trip.com are placed within 18 days of departure, and customers are ever cautious about changing situations around the pandemic, with 57% of travellers wanting free cancellation policies[13].

- Skyscanner has noticed a growing disparity between different travellers' cautiousness to travel: with those who have recently booked or are planning to book a flight in the next six months far less likely to report feeling anxious about the current status of COVID-19 as it applies to them (17% and 20% respectively), versus those who do not plan to book a flight in the next 6 months (62%)[14].

Private and premium experiences:

- Changes in traveller behaviour and preferences are showing as travel begins to resume. A Trip.com report found that travellers from the China travel market demonstrated a strong preference for premium and private experiences, with nearly 60% of travellers booking high-end hotels (four-star and above), and increased interest in RV tourism, hiking, themed tours, and high-end family tours[15].

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[7] Skyscanner, New World of Travel, September 21, 2020

[8] Tripadvisor, Beyond COVID-19: The Road to Recovery for the Travel Industry

[9] Booking.Com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions For The Future of Travel, October 20, 2020

[10] Skyscanner, New World of Travel, September 21, 2020

[11] Tripadvisor, Beyond COVID-19: The Road to Recovery for the Travel Industry

[12] Trip.com Group, Trip.com Group First Party Data

[13] Trip.com Group, Trip.com Group First Party Data

[14] Skyscanner, Skyscanner Attitude to Risk Survey, September, 2020

[15] Trip.com Group, Trip.com Group releases "2020 Dragon Boat Festival Holiday Big Data Report", July 10, 2020

Industry adaptability and innovation

Harnessing tech: The pandemic is driving technology adaptation. As travellers focus on controlling health risks, Booking.com found that people are leaning on a variety of emerging technological features to aid in their decision-making and feel safer, whether it involves reviewing efforts by accommodations in maintaining hygiene levels or making last-minute reservations[16]. Examples of digital transformation that Booking.com has supported include:

Greener Guest is a social enterprise based in the UK with a mission to help hotels cut single-use plastic and make sustainable choices. Greener Guest offers a B2B marketplace for sustainable alternatives to single-use plastics, and a knowledge hub with information and tools providing practical advice on plastic reduction and sustainability. In 2020 Greener Guest partnered with global health and safety experts, Intertek CRISTAL to create an interactive eLearning course to raise awareness, provide practical support and give hoteliers the confidence needed to reduce plastic while keeping guests safe. Supported with a social media campaign containing short explainer films, the course has been shared all over the world and is helping raise awareness of the plastics reduction message and the sustainable products marketplace which aims to scale in 2021.

Keteka, based in Chile and the USA, is an online marketplace of unique, otherwise unreachable activities that are instantly bookable online, helping to build capacity in indigenous communities and redistribute travellers. Keteka developed an initiative to help the tour operators and hostel owners around the Uyuni Salt Flats recover from the crisis and prepare for a return to sustainable tourism operations by boosting digital preparedness, providing training, and funding their first wave of sanitation supplies.

Ukarimu is an open-source tourism & hospitality training curriculum developed in Uganda with the aim to boost the tourism industry throughout Africa by building the capacity of the sector's workforce. Through a free training app, Ukarimu offers explanatory videos, exercises, self-tests, and study material to young hospitality staff. In the near future, the app will be expanded with modules for other tourism professionals such as entrepreneurs and tour and site guides.

Prioritising health and hygiene:

- According to recent research from Booking.com conducted with 20,934 respondents across 28 countries, more than three-quarters (79%) of global travellers will take more precautions due to COVID-19, while 70% say they are more likely to book a particular accommodation if it's clear what health and hygiene policies it has in place[17].

- The industry has responded rapidly with over 14 million listings on Booking.com now implementing health and safety measures (such as hygiene, sanitisation, physical distancing), as travellers use terms such as 'clean' and 'hygiene' when inquiring about specific properties.

Build back stronger:

- Many communities are discovering that they have an opportunity to evolve their ways of operating as they recover, in anticipation of the eventual return to pre-pandemic levels of travel. By leveraging globally accessible tools, including electronic payments and digital booking systems, communities are able to better meet travellers' needs. According to Visa, 67% of small businesses have tried something new, whether it's launching an eCommerce site or changing point-of-sale technology, to keep their business on track[18].

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[16] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020

[17] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020

[18] Visa, Global Visa Study Finds 67% of Small Businesses and 78% of Consumers Have Adopted New Behaviors to Adjust to COVID-19, August 4, 2020

Tourism will return

Home advantage:

· As destinations start to recover, they should focus their efforts on attracting domestic tourists. In May 2020, nearly two in three respondents from Tripadvisor's ongoing survey say they will travel domestically within the next six months, with one in three saying within the next three months[19].

· In New Zealand, where measures to contain and eliminate COVID-19 have been immensely successful and widely acclaimed, accommodations are booked out for the months ahead by domestic tourists, and popular destinations like Queenstown are welcoming visitors from Auckland and Wellington[20].

· Travel restrictions have led to countries across the world now focussing on encouraging and seeking domestic tourists, to create a more self-sustainable tourism ecosystem. Reaffirming the trends seen across the partnership, the UNWTO expects domestic tourism to return faster and stronger than international travel, with domestic tourism accounting for 75% of total tourism expenditure in OECD destinations. Countries like Italy, Costa Rica and Thailand have doubled down on promotional activity and financial incentives to encourage locals to explore their backyards[21].

· Byway Travel was launched during the global pandemic to offer flight-free holidays, and in doing so has showcased the potential for highlighting travel options detached from aviation. Byway is focussed on offering experiences closer to home in the UK that encompass slow travel, often multi-stop journeys featuring family-run, independent accommodation in more remote destinations.

Closer to home:

· Signs of recovery from the pandemic are emerging close to home. Analysis from Trip.com shows how China saw a dramatic near-complete recovery of domestic tourism. During the October Golden Week holidays data showed short-haul hotel bookings increased by almost 60% year-on-year, and post-1990s and 2000s travellers making up over 60% of tourists[22].

· The immediate uptick in domestic activity was also evident in the dining sector, where people switched their usual focus to more localised activities. Tripadvisor saw traffic to restaurant pages increase, especially in countries that have recovered quickly, like New Zealand[23].

· Analysis from across the sector shows equally clear signs of this pattern. Management consultants McKinsey have predicted that domestic tourism will return to pre-crisis levels around one to two years earlier than outbound travel, citing fewer restrictions, more options for non air-based travel and less traveller anxiety[24].

Growing wanderlust:

· Booking.com research found that two-thirds (65%) of travellers reported being excited about travelling again, while 61% indicated that the pandemic has grown their appreciation for travel; likewise, they will not take it for granted in the future. Indeed, this time at home has made travellers crave the world outside more than ever with over half (53%) of respondents asserting a heightened desire to see even more of the world, and 42% wanting to travel more in the future to make up for time lost in 2020 (rising to 51% for Gen Z and 49% of Millennials). Furthermore, over a third (38%) intend to plan a trip to make up for a celebration missed due to COVID-19 (such as a milestone birthday or wedding), while two-fifths (40%) intend to rebook a trip they had to cancel[25].

· According to Tripadvisor's December 2020 Travel Consumer Sentiment survey, travellers are already planning for 2021, with the share of their users booking travel during May 2021 higher than it was the previous year when the global pandemic didn't exist[26].

[19] Tripadvisor, Beyond COVID-19: The Road to Recovery for the Travel Industry, May 2020

[20] The New York Times, New Zealand's Advance Preview of a Post-Virus World, October 30, 2020

[21] UNWTO, UNWTO Highlights Potential of Domestic Tourism to Help Drive Economic Recovery in Destinations Worldwide, September 14, 2020

[22] Trip.com Group, Jane Sun, Trip.com Group CEO: Energize and Evolve for 2021, January 6, 2021

[23] Tripadvisor, Beyond COVID-19: The Road to Recovery for the Travel Industry, May 2020

[24] McKinsey & Company, COVID-19 tourism spend recovery in numbers, October 20, 2020

[25] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020

[26] Tripadvisor, December 2020 Travel Consumer Sentiment survey, December 2020

Redefining the Future of Travel and Tourism: 2021 and Beyond

In partnership with Forum for the Future

FORUM FOR THE FUTURE

Travalyst's mission, from day one, has been to drive forward a new model for the tourism industry so that it is one that becomes a force for good, for both communities and the natural world. The pandemic clearly demonstrates to us all how vital that mission continues to be.

Ever since Travalyst launched, we have worked with sustainability non-profit, Forum for the Future (Forum). As well as providing essential support and guidance, their Chief Executive, Dr. Sally Uren, chairs Travalyst's Independent Advisory Group which was formed in January 2020.

Forum has recently published a report, The Future of Sustainability[27], where they have highlighted five 'dynamic areas', clusters of trends and tipping points that will have a significant influence on the next decade, as well as building four pathways that society, business and government might take as

we recover from COVID-19. These pathways, or 'trajectories', are based on research and interviews with experts, as well as working sessions with a range of organisations across business and philanthropy.

For this report we have worked with Forum to see how these pathways - Discipline, Compete and Retreat, Unsettled, and Transform - could be applied to help map out the re-emergence of travel. All four trajectories as set out to the right are currently emerging simultaneously across the globe; we see glimpses of each one every time we read the news. In order to try and ensure that the travel and tourism industry can build back sustainably, in ways that are consistent with the Transform trajectory, it is important to understand the implications of each of the trajectories on the future of travel and tourism.

1. Discipline

The Discipline trajectory is characterised by greater tech-enabled control in order to maintain public health, safety, and security and, just as importantly, to ensure the continuation of current economic growth models and globalisation as a way to return "back to normal". This is underpinned by government-backed investments in technology for automation.

2. Compete and Retreat

The Compete and Retreat trajectory sees a future dominated by the mindset that there is not enough to share. Nationalist dynamics are strengthened, and countries believe they need to retreat to protect their own. Globalisation and international collaboration in this future would take a significant back seat in favour of national unity and protection, and closed borders become more of a reality. However, citizens in countries that have access to financial resources and a consolidated central government may find Compete and Retreat strangely positive as national unity, community resilience, and investments in local goods, services, and employment flourish.

3. Unsettled

The Unsettled trajectory sees a departure from pre-pandemic normalcy as continuous discontinuity from cascading crises puts the world in a difficult and strange reality of "no new normal". Radical resilience, adaptability, and opportunism jostle with fatalism and anxiety as climate, ecological, political, and technological disruptions are pervasive and compounding.

4. Transform

The Transform trajectory is underpinned by a mindset that understands planetary health is human health. The pandemic provides an opportunity to shift the world onto a sustainable, regenerative, and socially just path. Deep change is possible and desirable as society acknowledges the interconnectivity of the systems around us. A strong desire to not go back to "before" catalyses action to build back better. **This is the trajectory that Travalyst is striving to mobilise through collective action by the travel and tourism industry.**

Brussels, Belgium | Marius Badstuber

1. Discipline

This possible future is one where we see tech-enabled control in the name of public health, safety, and security. There would be a strong drive to return to pre-pandemic economic models that prioritise efficiency; the quest for which would drive recovery efforts, from community building to low-carbon infrastructure.

When 'Discipline' is dominant, what will this mean for travel?

Stronger regulation

In a world dominated by the Discipline trajectory, where we see tech-enabled control in the name of public health, we may begin to see stricter enforcements on travellers emerge. A coordinated global response to health and hygiene may see protocols such as compulsory track and trace, testing on arrival, and mask mandates. Signals of this possible future are glimpsed in data from Booking.com, which indicates that two-thirds (67%) of travellers will accept travelling to destinations that have health spot checks on arrival and 62% will accept wearing a mask in public[28].

As any vaccine rollout will be key to a return to "normal" globalised growth, we may see vaccinations become compulsory and health passports becoming prevalent. This, alongside track and tracing demands, could be problematic for some locations that do not have the infrastructure or funding to deliver, and we may start to see an imbalance between regions. If these regions happen to also be popular tourist destinations, it is possible that well-funded travel businesses in the industry may step in and support vaccination efforts to meet traveller demand.

What is certain is that while international travel and tourism does return in some form in this trajectory, the travel industry would become highly regulated, where coordinated rule building processes emerge, strongly echoing the post-9/11 recovery. For some parts of the industry, the additional costs of adhering to these new measures may just prove too onerous, and many smaller businesses might not have the balance sheets to cope.
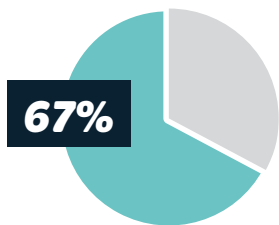
67% of travellers will accept traveling to destinations that have health spot checks on arrival
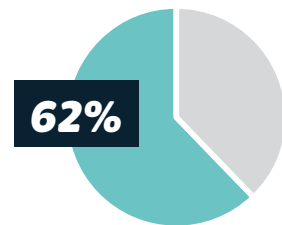
62% will accept wearing a mask in public

Increased need for digitalisation and personalisation of the travel experience

With a move to touch-free and seamless travel on a domestic and international level, a rapid digitisation of tourism companies' infrastructures will be required. According to Visa, more than two-thirds of small and medium-sized businesses (SMBs) (67%) have tried a new approach – whether launching an eCommerce site or changing point of sale technology – to keep their business on track[29]. On the travellers' side, more than half (55%) are excited about tech's potential to further personalise their travel experiences in the future[30].

67% SMBs have tried a new approach

55% travellers are excited about tech's potential to further personalise their travel experiences

Wider adoption of certification and standards

In Discipline, there will be wider adoption of certification and standards to demonstrate which companies are meeting the necessary regulations and policies. So far, organisations like the World Tourism and Travel Council (with their "'Safe Travels': Global Protocols & Stamp for the New Normal"[31]), both Trip.com and Tripadvisor[32] (with their "Travel Safe" tools), and the Adventure Travel Trade Association (ATTA) (with their "COVID-19 Health & Safety Guidelines"[33]) have begun to fill in gaps where governments have not taken quick enough action. As the number of protocols increases, it will be likely that some form of protocol centralisation by governments will follow. Seeing how the tourism industry has rapidly adapted to new regulations and policies in light of the pandemic highlights the potential for how it could also benefit from new efforts in scaling sustainable tourism standards in the future.

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[28] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020
[29] Visa, Back to Business Study, August 4, 2020
[30] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020

[31] World Travel and Tourism Council, #SafeTravels: Global Protocols & Stamp for the New Normal, May 2020
[32] Tripadvisor, Travel Safe Tripadvisor
[33] Adventure Travel Trade Association, Adventure Travel COVID-19 Health and Safety Guidelines, June 2020

2. Compete and Retreat

In this trajectory, nationalist dynamics are strengthened, and countries believe they need to retreat to protect their own. Self-sufficiency becomes a dominant mindset which could see communities strengthened, but not uniformly.

When 'Compete and Retreat' is dominant, what will this mean for travel?

International travel struggles to return

Compete and Retreat sees increasingly fragmented, regionalised, and polarised nation states. Emerging from years of increased global travel, this trajectory could devastate international tourism as permanent restrictions and exclusive travel corridors prevail, such as Australia and New Zealand's "travel zone"[34] and Hong Kong and Singapore's travel corridor[35]. Quarantine measures, if extended, could inhibit efforts to revive international travel as far fewer travellers, only 27% according to Booking.com, would be willing to quarantine in order to travel to a particular destination[36].

This dampening of international travel could be detrimental for local communities and destinations that are heavily reliant on foreign travellers. According to the World Bank, tourism has played a vital role in lifting people in the Maldives out of poverty, but since the lockdown was imposed tourist arrivals have fallen to almost zero[37]. In Southern and Eastern African countries, COVID-19's impact on tourism has also impacted its conservation efforts[38]. Looking at longer-term consequences, small island developing states could rely on increased borrowing to weather the COVID-19 storm. However, increasing levels of debt in an already non-diversified economy could have devastating economic consequences if there are no alternative sources of foreign exchange[39].

The stockpiling of vaccinations by countries that can afford to over-purchase, much like what was witnessed with the stockpiling of personal protective equipment (PPE) supplies in the first wave of the pandemic, could have drastic implications for developing nations who will struggle to secure funding to purchase sufficient doses of the vaccine. COVID-19 (and its mutated forms) may remain rife in some communities, further damaging their abilities to emerge and flourish.

Civil unrest may become more common as existing inequalities are exacerbated during the recovery. In addition, there are likely to be significant anti-vaccination movements leading to more division, polarisation, and fragmented local communities. In turn this could again undermine universal vaccine access and uptake, impacting certain nations from attracting travellers.

But, domestic tourism thrives

Compete and Retreat could also catalyse a new wave of interest in domestic tourism as we emerge from the pandemic. At times when countries were able to ease restrictions, many of them gained a considerable uptick in domestic tourism and many expect the demand to continue into the future. As travellers become increasingly aware of the travel opportunities in their own countries, local communities could be revived and strengthened. However, there still remains the risk of some popular destinations suffering with overtourism from domestic travellers alone. In October 2020, Booking.com reported that 47% of people still plan to travel within their own country in the medium term (7-12 months' time), with 38% planning to do so in the longer term (in over a year's time)[40]. As a generally less expensive holiday, local tourism could help keep much-needed cash in the economy. Local tourism also creates an opportunity for local travel brands to prosper in this future, as 71% of global SMB owners say they have received support from their local communities, according to Visa[41].

47%
of people still plan to travel within their own country
(in 7-12 months)

38%
of people still plan to travel within their own country
(in 12+ months)

71%
of global SMB owners say they have received support from their local communities

Tourism's carbon footprint becomes lighter

An increase in domestic tourism, combined with greater investment in local low-carbon infrastructure, will reduce global carbon footprint for the tourism industry. This became even more evident during the early peak of the pandemic when CO_2 emissions from global aviation decreased by -43.9% and -46.7% during the first half year and the first seven months of 2020 respectively; of which roughly 70% of the drop was related to international flights[42]. Lower emissions become a by-product in a Compete and Retreat world, as the mindset underpinning this trajectory is one of scarcity and protection of self, rather than a desire for meaningful change.

[34] BBC, Coronavirus: Australia opens 'travel zone' to New Zealanders, October 2, 2020
[35] Trip.com Group, Trip.com sees demand rise in Singapore and Hong Kong following travel bubble announcement, November 11, 2020
[36] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020
[37] World Bank, Supporting Vulnerable Workers in Maldives Amid the COVID-19 Crisis, August 7, 2020
[38] Nature, Conserving Africa's wildlife and wildlands through the COVID-19 crisis and beyond, July 29, 2020
[39] UNCTAD, Impact of COVID-19 on tourism in small island developing, April 24, 2020 states
[40] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020
[41] Visa, Back to Business Study, August 4, 2020
[42] Nature, Near-real-time monitoring of global CO2 emissions reveals the effects of the COVID-19 pandemic, October 14, 2020

3. Unsettled

Uncertainty and chaos dominate this possible future and radical resilience, adaptability, and opportunism jostle with fatalism and anxiety for local communities. Businesses that adapt will be rewarded, but any long-term planning and cooperation becomes increasingly difficult in light of pervasive and compounding disruptions.

When 'Unsettled' is dominant, what will this mean for travel?

Tourism businesses diversify

Unsettled, which is characterised by continuous discontinuity as a result of one crisis after the next, may prompt rapid repurposing of tourism assets. This is already made evident in Sweden where a hotel repurposed its rooms as pop-up restaurants in order to allow for socially distanced dining[43], or in Lisbon, where the Portuguese government is renting empty Airbnb apartments and subletting them as subsidised housing[44].

Business agility and adaptability will be rewarded by travellers

According to Trip.com, in light of the uncertainties experienced over the past few months, customers identified flexibility as their most important consideration, with 57% of customers nominating penalty-free cancellation policies as the most attractive feature when booking travel[45]. In addition to flexibility, 27% of customers identified advance booking promotions as their key motivator for booking travel, while 25% preferred insurance coverage. Simultaneously, Skyscanner studies show that businesses who have pivoted internally to allow for flexibility in their business models would benefit from a reduction in lead time between holiday booking and departure[46]. However, traditional companies that are unable to adapt will struggle to maintain market share.

The end of tourism as we know it?

The chaos and uncertainty that characterise this trajectory could prove insurmountable for the international travel and tourism industry. Attempts to rebuild would continually be undermined by failures to deliver a universally effective immunisation programme due to both repeated shocks to the system, but also if the virus mutates and vaccines constantly prove ineffective.

57%
penalty-free cancellation policies as the most attractive

27%
advance booking promotions as their key motivator

25%
preferred insurance coverage

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[43] Springwise, Hotel turns rooms into pop-up restaurants, May 18, 2020
[44] New York Times, With Vacation Rentals Empty, European Cities See a Chance to Reclaim Housing,

[45] Trip.com Group, Trip.com Group joins Google to launch Travel Trends Report, June 23, 2020
[46] Skyscanner, New World of Travel, September 21, 2020

4. Transform

This is the trajectory in which recovery from COVID-19 is used as a 'reset', where we see an acceleration towards a fair and equitable transition to a low carbon world. In order for this trajectory to emerge, there is a critical need for transformative, not incremental, change towards a socially just and regenerative future. All actors, from government, business, philanthropy, and civil society, engage in this transformation to ensure it emerges as the dominant future. For travel and tourism, a clear pathway emerges for collective action.

When 'Transform' is dominant, what will this mean for travel?

Travellers increasingly demand nature experiences

In Transform we are likely to see an increased awareness and appreciation for nature amongst travellers. Increases in searches in simple pleasure-related endorsements such as hiking (94%), clean air (50%), nature (44%) and relaxation (33%) have been seen on Booking.com since the start of the pandemic[47]. Research also shows that over two thirds of travellers (69%) will look to appreciate more simple experiences such as spending time outdoors or with the family while on holiday. Tripadvisor has indicated that rural accommodations (particularly beach and nature) have become a priority for Europe, Middle East, and Africa (EMEA) travellers[48].

Growing traveller awareness of sustainability

Travellers are already increasingly demanding more sustainable options, with more than two-thirds (69%) expecting the travel industry to offer more options that deliver on this desire, and more than half (53%) of travellers considering reducing their waste and/or recycling their plastic when travelling once all travel restrictions are lifted[49]. The pandemic has provided a catalyst for travellers to reconsider their own impact and demand more from businesses and governments to drive sustainable development.

Businesses act boldly to decarbonise the tourism industry

Within this trajectory, rapid and disruptive technologies would need to be driven at scale to galvanise entire sectors behind ground-breaking low carbon solutions that will transform the industry. Instances of this include the Alaska Airlines and Microsoft first-of-its-kind partnership to reduce carbon emissions, with flights in key routes powered by sustainable aviation fuel managed by SkyNRG, or the eCaravan aeroplane which flew for 30 minutes powered entirely by electricity. Additional investment in these technologies (as well as their marketing) would make it easy, affordable, and aspirational for travellers to make healthier and more sustainable choices.

New tourism business models

New and emerging sustainable tourism models that focus on full transparency, sharing value, and building resilience and regeneration in local communities would become the new norm. Travellers are already demanding these practices; in 2019, 10 million travellers using Skyscanner selected a "Greener choice" option when booking[50], and 46% of travellers reported to Booking.com that they believe that the industry must adapt to this sustainable mindset for the long-term by offering more attractive off-season travel packages[51].

Tourism prioritises local communities

Travel in this trajectory will have an explicit purpose to build the resilience of local communities and restore ecosystems; massive investments in decentralised and locally distributed energy could enable a pathway to self-sufficiency for many communities. A role for the travel and tourism industry in such investments would be welcomed; data from Booking.com indicates two-thirds (67%) of respondents want their travel choices to also support a destination's recovery efforts, and more than half (55%) want to see how their money is going back into the local community[52]. A world dominated by the Transform trajectory mindset would place a stronger focus on local communities' livelihoods, wellbeing, and equality that is firmly rooted within the planetary boundaries.

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[47] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020
[48] Tripadvisor, Beyond COVID-19: The Road to Recovery for the Travel Industry, May, 2020
[49] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020
[50] Skyscanner, New World of Travel, September 21, 2020
[51] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020
[52] Booking.com, Smarter, Kinder, Safer: Booking.com Reveals Nine Predictions for the Future of Travel, October 26, 2020

How must we respond?

Alongside the insights gathered from our summits in Scotland and online, and the Travalyst coalition's data analysis, the four future trajectories detailed in this report offer an example for how the world may evolve from the current crisis. It gives us an indication of the different responses required from the tourism industry to truly seize this moment and not only help drive our global recovery, but do so in a way that transforms our world for the better. In the process of our exploration, we believe that there are three universal responses available to the industry that make sense right now, no matter which trajectory emerges as the dominant version of our future.

1. Support and boost the ability of communities around the world to flourish. This must be the priority for the industry. As mentioned earlier in this report, when communities are involved in the process of creating solutions from the start, then it is possible to develop sustainable, scalable, and profitable approaches for the long-term.

2. Double down on existing decarbonisation pathways. In all four cases a strong focus on renewable energy is essential, albeit for different reasons: in Compete and Retreat, for example, renewable energy delivers self-sufficiency; in Discipline, it delivers efficiency.

3. Transform current business models to become more flexible and adaptable, reacting to a more fluid consumer environment. All of the megatrends and their implications on the shape of the next decade will drive greater uncertainty than we have lived through before. Much evidence has shown how the most agile organisations have been the most secure in these times. We must help all operators gain the ability to do the same.

Sydney, Australia / Dan Freeman

Turning this into Practice:
The Role of Travalyst

To achieve the Travalyst mission, our unique partnership is working together to deliver a unified approach to sustainability; initially across the world's largest travel service providers and then shared amongst the wider industry. This will be done by providing accurate data at scale, building models that can be adapted by the industry-at-large, promoting a shared understanding of what good looks like, championing best actors in the field, and ultimately securing a shared commitment to changing the way the world travels, for good.

As we start 2021, we believe we are in a strong position to make significant steps forward.

To meet the demands of the three identified trends in 2021, the current phase of Travalyst's work is focussing on two central areas: a framework for universal transparent reporting on sustainability efforts, and championing communities and success.

A framework for universal transparent reporting

Travalyst is continuing to invest in and develop a world-first system that can create a scalable, industry-wide sustainability framework. Our research has shown how confusion and lack of trust can often be the biggest barriers to travellers making more sustainable choices. Travalyst's solution is building uniformity across the world's largest travel platforms.

Already in development, our early-stage digital framework is being led by our Founding Partners, most notably Booking.com. It aims to deliver transparent reporting across platforms, providing travel consumers with clear information about the sustainability practices of the accommodations they plan to book, in a way that is accessible and complementary to businesses on the ground. In tandem, Skyscanner with initial support from Trip.com are building frameworks and metrics that have the potential to do the same for aviation. Our longer-term aim will be to adapt and test equivalent frameworks across all aspects of the industry.

Key to our long-term vision is making all our data, methodology and product open-source. We are committed to ensuring the work established by Travalyst has the greatest potential to be adopted and scaled more widely.

It is clear that decarbonisation is a challenge for all industries and nations, and travel needs to be at the forefront of tackling it. To ensure success, we believe a concerted effort across the industry is required. Significant steps are being taken by individual organisations, small and medium businesses, hotel chains, and some airlines, to work towards a net-zero future. It is vital that greater clarity is given to those efforts, with greater cooperation, shared knowledge, and universal metrics around carbon impact.

Skyscanner's existing greener choice label was launched in 2019, with a focus on educating the traveller about the carbon footprint of different flight options; helping to set the benchmark for what can be done. Building on work already underway, a unified framework as well as further industry collaboration has the potential to focus efforts and therefore lead to a greater likelihood of success.

Championing communities and success

Travalyst believes in the central importance of supporting and empowering local communities and will continue to build out its work to drive awareness of the integral role that communities play in upholding the tourism economy and protecting destinations. The critical need for inclusive community engagement within the sector was emphasised at our Global Summit, when it was clear that tourism players of all sizes were appreciating the wider responsibility they have to support their local communities, and the importance and effectiveness of collective action.

As part of Travalyst's mission, it will be vital to actively champion the best practices and best actors who underpin this way of working. In the long-term, Travalyst aims to leverage its platform to direct both supplier and consumer attention towards key examples of what "good" looks like; with the aim to empower travel providers to adopt more sustainable practices, whilst at the same time educating travellers around more sustainable – and for the traveller, more enriching – experiences.

A nearer-term focus will be for Travalyst to learn from a destination which has been able to successfully open up for domestic tourism whilst much of the rest of the world remains in standstill. New Zealand has been one of the leading sustainable tourism destinations for several years as a result of a heavily engaged government and a highly active and collaborative set of tourism stakeholders. We are exploring how we can best champion a range of good actors who have built sustainability into the way they operate, and by doing this begin to educate travellers on what to look for when they travel.

Conclusion

2021 can – and must – unlock new potential for tourism. The devastating impact of COVID-19 has been felt by millions. People are experiencing unfathomable loss, pain, and hardship, including those whose livelihoods rely on the travel industry. However, it has also expedited new perspectives and opportunities for positive change. In this moment, we have a unique challenge to rechart the course together, to rewrite the rules and to rebuild more responsibly to the benefit of the places we visit, the people who live there and the planet as a whole.

Collaboration is essential to this success. In the year that changed everything, glimpses of communities coming together in times of desperate need, the acts of compassion, were both uplifting and plentiful.

Harnessing this collective mindset as the industry rebuilds will be vital.

The travel and tourism industry – like many other sectors across the world – has found itself in a prolonged standstill; anxious to recover and reopen, whilst presented with a moment to fully reassess and recalibrate. As the world begins to slowly open up to visitors, the Travalyst coalition remains unwaveringly committed to championing the collective power and dedication of sustainable travel and tourism businesses worldwide. Travalyst strives to ensure that this industry builds back into one that can thrive alongside the planet, people, and places it depends on.

Havana, Cuba / Stéphan Valentin

Acknowledgements

The Re-emergence of Travel report is published by Travalyst in collaboration with Forum for the Future.

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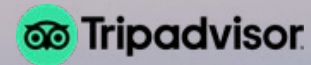» *Dave Whitelaw,* Senior Director, Business Planning and Operations, Social Impact

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