

Thomson Future Forum

Holiday 2016



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Executive Summary

By the year 2016, the way we holiday and invest in our time-off will be radically altered. A vastly changed social landscape combined with fast-moving technological advances, and a complete mindset shift in the way we treat leisure time and work time, will have a huge impact on how we holiday, where we holiday, why we holiday and when we holiday.

The Thomson 2016 Future Forum was held to examine and explore these varying influences on travel over the next ten years. It brought together representatives from a variety of fields to share knowledge and to make predictions based on their area of expertise.

A number of predictions and themes were recurring across different areas.

One key prediction is the rise of international commuting, where Britons permanently base themselves in their overseas properties. With UK cities expensive and overcrowded and traditional commuter belts overworked, 2016 will see the rise of the international low cost commuter belt. International commuters will fly in and out of the UK for work leading to a host of changes – from fast-track commuter check-ins at airports, to property booms in cities as far a field as Marrakesh and Talin, to the creation of specially designed international commuter studio apartments to provide temporary accommodation for employees while they are on business in the UK.

Technological advances will see the death of the passport and the birth of the Chip and Go ID card. International commuters and other frequent travellers may even opt for a revolutionary microchip to be inserted under their fingertip to store their personal travel information.

In 2016, home and leisure time will have blurred and overlapped to such an extent that the traditional 20 days annual leave will become virtually obsolete. Companies will give employees 'hard' and 'soft' holiday allowances. During 'hard' holidays, staff will be logged out of their office networks and be unreachable by work colleagues, and during 'soft' holidays, employees must remain logged into the office network and will be obliged to do a certain amount of work, albeit from the poolside.

As an antidote to technological advances, there will also be a 'Big Tech Backlash' movement, where increasingly ecologically minded tourists insist on authenticity and environmentally friendly holidays. 'Fair Trade Holidays' and 'Green Label Holidays' symbols will become the norm.

This heightened eco-awareness, coupled with a boom in the number of tourists visiting cities could lead to a new concept in hotel design, called the 'umbilical hotel'. The 'umbilical hotel' is a self-contained, temporary structure that joins on to existing buildings to minimise environmental impact.

In summary, travel will be a highly valued commodity in the society of 2016. Our working lives will be far less static and will allow and indeed encourage travel, and we will invest in 'added value' holidays to enrich our life experience during our leisure time.

The Forum Delegates

The Thomson Future Forum brought together six experts from the fields of social demographics, travel, technology, leisure, architecture and the environment. The delegates each shared their views and predictions on how the travel landscape will look in the year 2016 as a result of changes within his or her area of knowledge. The Forum was chaired by Dr Nick Middleton.

Dr Nick Middleton:

Chair

A Supernumerary Fellow in Physical Geography at Oxford University, Nick Middleton is perhaps best known as presenter of his Channel 4 travel series, *Going to Extremes*.

Dr Frank Shaw, The Centre for Future Studies:

Social Demographics in 2016

Dr Shaw is the Founder and Director General of the Centre for Future Studies, an independent forecasting think-tank, and Chairman of the UK Futurists Network

Derek Jones, Retail & Sales Director, Thomson:

The Travel Market in 2016

Derek Jones career spans 15 years in the travel industry, starting as an overseas rep, he is now Retail & Sales Director at Thomson, the UK's number one tour operator and part of the World of TUI, the largest tourism and services group in the world.

Graham Donoghue, Director of New Media, Thomson:

Travel & Technology in 2016

With over 13 years experience in all aspects of the travel industry Graham is one of the UK's leading experts in the online travel field and has overall responsibility for TUI's online strategy.

Rachel Morgan-Trimmer, Founder, The Career Break Site:

Travel & Leisure in 2016

Rachel Morgan-Trimmer is the founder of *The Career Break Site*, the UK's number one independent site dedicated to career break opportunities for people of all ages.

Nadi Jahangiri and Ken Hutt, m3architects:

Travel & Hotel Design in 2016

m3 has featured in 'New Architects 2 - A Guide to Britain's Best Young Architectural Practices' and the Wallpaper Directory of 'Best New Architects'. m3 work includes the design of hotels, offices, private homes and mixed use developments.

**Dr Rebecca Hawkins, Department of Environmental Geography,
Oxford Brookes University:**

Travel & the Environment in 2016

Dr Rebecca Hawkins is a Fellow at Oxford Brookes University, a Director of the Centre for Environmental Studies in the Hospitality Industry and is the joint author of the popular *Sustainable Tourism*.

Social Demographics & Travel in 2016

Dr Frank Shaw, Centre for Future Studies

KEY TRENDS IN 2016:

- > **International commuting:** Britons who travel to the UK for the working week and return to their overseas homes for the weekend
- > **'Hard' and 'soft' holidays:** companies will increase annual leave allocation giving people more 'soft' holidays and less 'hard' holidays
- > **The slow-it-down cultural shift:** a counter movement will see a growing number of people opting for more authentic, local holiday experiences in destinations cut off from communication
- > **Experiential travel:** the experience economy will be booming in 2016 with people demanding more personalised 'for me' holidays

The way we live... in 2016

Within ten years, the shape of British society will have altered significantly. Demographic shifts that are taking place today will have accelerated dramatically by 2016.

The Britain of 2016 will be an ageing society where women outnumber men. The 'traditional' family set up will continue to breakdown – there will be a rise in single parent families, people choosing not to marry and in divorce rates, while there will be a decline in family sizes, and women will continue to delay having children.

The way we work... in 2016

The rise in single people, the breakdown of the family structure and an ageing society will have profound implications for the way we work in 2016. These demographic changes mean our lives outside work will be much less predictable with leisure time becoming more 'congested'.

Coupled with this, the lesser earning power of a single household and rising consumer debts will be significant contributory factors to a dwindling work-life balance as our working lives become more intensive and pressured.

As a result, the rigid structure of work and home life will be virtually impossible to adhere to in 2016.

New ways of working

With the boundaries between work and leisure blurring and overlapping, the way we split holiday and leisure is set to be revolutionised by 2016. Key trends will be:



International commuting

It is predicted that by 2020, up to 1.5 million Britons will work abroad. This will result in the rise of international commuting where Britons owning overseas properties will increasingly use them as their main base travelling to their UK office on an infrequent basis, and instead working from their overseas home or from their companies' international offices.

Hard and soft holidays

Today as many as one in three people in managerial positions contact the office while on holiday. With a more pressured working life predicted in 2016, our jobs will increasingly encroach on our holidays.

In order to redress the work-life balance, by 2016, some companies will introduce 'hard' and 'soft' annual leave which will mean an increase in the amount of total annual leave (combination of hard and soft - less hard more soft) on the proviso that a specified amount of work is carried out during some of those holidays.

'Soft' holidays refer to these set amount of days where employees must work a minimum number of hours albeit it from the beach.

'Hard' holidays refer to a set amount of days where employees will be completely unreachable by their place of work. It is likely that this will result in an increase in travel to remote destinations where people have a very real sense of 'getting away from it all'.

'Hard' and 'soft' holidays may even be a measure that the government will consider making mandatory in years to come.

There may also be an opportunity for holiday operators to work hand in hand with businesses to design holiday plans for employees.

The slow-it-down shift

In stark contrast to the intensification of our working lives in 2016, it is predicted that there will be a counter cultural trend for slowing down life's pace. A growing number of people will buy in to a way of life that focuses on the local, not the global, and on switching off, not switching on 24/7. Given that many people will be operating as part of a globalised communication network in the workplace, they will purposefully seek out 'hard' holidays where they can be completely removed from global communication channels and get 'back to basics' in remote locations.

This will result in a travel trend for holidays with a distinctly 'local' feel with a rise in demands for resorts and destinations where people can learn about local culture, experience authentic local cuisine and engage with local communities.

Experiential travel

We spend more than three times the amount of money on experiences and activities today than we did in the 1980s and the experience economy shows no sign of abating. With more emphasis on the individual in 2016, this will manifest itself in increasing demand for specially tailored 'like me' holiday products, smaller sized accommodation where the personal touch is more evident, and more mixed and fragmented holiday behaviours.

The Travel Market In 2016

Derek Jones, Retail & Sales Director, Thomson

KEY TRENDS IN 2016:

- > **Overseas commuters:** *growth in number of people who consider their overseas property to be their primary residence and subsequently commute to and from the UK*
- > **Overseas commuter belt:** *European cities such as Barcelona and Dubrovnik become UK commuter hotspots*
- > **Commuter fast-tracks:** *Airports will introduce fully automated rapid check-in services for international commuters who travel frequently*

The overseas commuter

With overseas home growth predicted to rise steeply by 2016, many people will consider their overseas home as their primary residence.

This will result in a new trend: overseas commuting. The overseas commuter is someone who works remotely from his overseas home or from the town/city nearest to his overseas property, commuting in and out of the UK on a regular, but infrequent basis.

The growth in overseas commuters will have a significant impact on the travel industry and employers.

The overseas commuter belt

By 2016, an 'overseas commuter belt' will be firmly established. It is predicted that Gatwick, Luton, Stansted and Heathrow airports will be the main commuter belt airports, followed by Manchester and Cardiff.

Properties in cities such as Marrakesh, Barcelona and Dubrovnik will have particular appeal to Britons looking for distinctive cultural benefits and attractions, whereas cities with vibrant business districts such as Hanover, Stuttgart and Verona will appeal to professionals who want to work in their overseas home city while maintaining links with the UK arm of their company.

Top overseas commuter belt destinations:

1. Barcelona
2. Palma
3. Marrakech
4. Dubrovnik
5. Faro
6. Alicante
7. Verona
8. Tallinn (Estonia)
9. Pula
(for properties in
Croatia and Slovenia)
10. Valencia



Remote vs office working

Overseas commuting will not mean weekly commuting in and out of the UK – rather the vast majority of overseas commuters will travel in and out of their UK offices on a relatively infrequent basis – for example, they may negotiate packages at work which allow them to work remotely from home for three weeks out of every month.

In order to cater for this trend, corporations will explore accommodation options such as studio apartments in UK city centres where employees can base themselves during their UK visits. It is expected that travel companies will work directly with large companies offering bulk overseas commuter flight packages for staff. Travel companies may also consider branching out into UK studio property acquisition in order to create comprehensive ‘overseas commuter’ packages to corporations.



Commuter fast-tracks

To cater for overseas commuters and make the process as smooth and fast as possible, airports will revolutionise their check-in service so the entire process is automated.

Biometric scanners will utilise finger print scanning to confirm a passenger's identity, their right to travel, their itinerary and their payment and security details, allowing overseas commuters to pass check in, customs and board the plane without having to speak to any one person or sign any documents.

Travel companies will also have an important role to play in creating more flexible travel arrangements at key commuter airports. For example, this might include the provision of commuter shuttle services to and from cities to airports at 5pm on Fridays.

Travel & Technology in 2016

Graham Donoghue, Director of New Media, Thomson

KEY TRENDS IN 2016:

- > **Chip and Go:** *paper passports will be a thing of the past as a microchip will be used to store personal travel information*
- > **Virtual Visitors:** *tour operators will host online forums to enable customers to find holiday companions who they will meet for the first time in resort*
- > **The Big Tech Backlash:** *holiday resorts will introduce technology amnesties to give technology drained tourists real “time off”*

Chip and Go

As the demand for quick, hassle free travel increases, we will say goodbye to the paper passport. By 2016 the traditional passport will be replaced by a credit card sized ID, containing a micro-chip, which stores our personal travel information. The ID chip will hold everything from visa information through to finger print scans.

The “Chip & Go” passport will reduce check-in time, by enabling travellers to simply swipe the ID card and use their fingerprint scan as a method of passenger identification.



The world at your fingertips

Frequent travellers, such as overseas commuters, will have the option to implant this microchip underneath their finger tip. By simply placing their finger on the recognition pad to register their journey regular travellers will be able to head straight through to boarding.

Top-up Travel

Over the next decade we will witness the demise of the paper ticket, as travellers will load their itinerary onto the “Chip & Go” cards. Regular travellers will be offered a top-up service, allowing them to pre-load their cards with travel credit. Set routes will have a fixed rate for peak and off peak travel times, for example Barcelona to London may be £30 off peak, so pre-pay customers can travel between destinations without paying in advance.

Virtual Visitors

As communication technology advances, face to face interaction will decrease and by 2016 the general public will be au fait with the concept of meeting holiday partners online. The increase in single people will mean we will rely more on the internet to meet our holiday companions.

In order to accommodate consumers’ growing desire to “self package” and travel with like-minded people, tour operators will host destination forums on their site, which enable customers to share views and meet potential travel companions. This online community will then decide on a destination and meet in person for the first time in resort.

The Big Tech Backlash - Handover your Hard Drives

Daily life in 2016 will be saturated with technology so “hard” holiday time will be used as a means of escaping the 24/7 communication culture. In order to guarantee a back to basics experience a number of resorts will operate as technology free zones. Travellers will hand over their laptops, mobiles and gadgets on arrival as part of a technology amnesty to prevent work life encroaching on their holiday time.

Travel & Leisure in 2016

Rachel Morgan-Trimmer, Founder, The Career Break Site

2016 KEY TRENDS IN LEISURE TIME:

- > **The Lifestyle Consultant:** travel operators will recruit and train lifestyle consultants who devise annual holiday plans for clients to maximise their annual leave
- > **Added value travel:** people will seek out holiday experiences where they learn skills and gain qualifications
- > **The OE:** there will be a sharp rise in the number of people who invest in an OE (Overseas Experience) involving a round-the-world trip of a life-time
- > **The new holiday package:** companies will introduce flexible holiday allocation as part of their employee benefits package. Sabbaticals, travel loans and the option to 'buy' extra holidays will become standard

The importance of leisure

Within ten years, leisure time will be a more precious commodity and in many cases, 'soft' holiday allocations will mean that the holidays we take are increasingly blurred with our working lives. This will result in some major changes in the way we spend our leisure time.

The Lifestyle Consultant

In 2016, we will hire specially trained lifestyle consultants to create the best possible made-for-me annual holiday plans. The lifestyle consultant's role will be created by travel operators as a response to increasingly pressured working lives and a subsequent desire to maximise leisure time. In the same way we would consult an IFA about financial investments, we will use lifestyle consultants to ensure we get the most out of our annual leave and holiday budget.

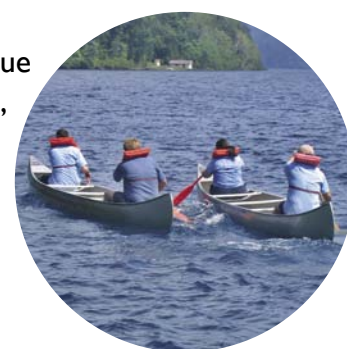
The lifestyle consultant will look at a client's annual budget and travel goals and devise a bespoke travel plan to reflect the client's needs. Consultants will consider demographics such as age and marital status, but they will also run more complex psychometric tests to ascertain what types of activities and destinations would be most beneficial for a client. Companies may also have a lifestyle consultant attached to their business to offer employees advice on travel investment.

The remit of the lifestyle consultant will also include advice on everything from the best travel insurance policies to terms and conditions of longer term career breaks. Some holiday makers will even use lifestyle consultants to “match-make” them with potential holiday companions.

Lifestyle consultants will be readily available all year round via email, phone and for face-to-face meetings in clients’ homes.

Added value travel

‘Added value’ travel will be the buzzword of 2016. Added value travel is about using time-off to enrich personal experience, be it through learning a new skill, immersing ourselves in foreign cultures through voluntary or paid for employment, or partaking in sports and leisure activities that we would never experience at home.



The OE (Overseas Experience)

There will be a huge rise in the number of people who invest a great proportion of their time and money in an OE (Overseas Experience) – usually a round-the-world trip lasting between six and 12 months. Increasingly, older people (or ‘golden gappers’) will take an OE, often inspired by their children’s experiences or at a life-stage when they have more disposable income and are keen to broaden their horizons.

The new holiday package

Being “well travelled” will be a very desirable, if not essential, attribute for job applicants in the future, thanks to the soft skills gained by experiencing other cultures. As a result, travel incentives will become a standard part of employee benefits packages, in order to help companies attract strong candidates in competitive industries such as accountancy, law or media.

Many companies will offer paid for sabbaticals, career breaks, pro-longed soft holidays and the option of interest free travel loans to their staff as they recognise and reward the practical skills (such as leadership, initiative and language skills) that travel can bring.

Travel & Hotel Design in 2016

m3 Architects



The “Umbilical” Hotel

The rise of the “overseas commuter”, the growth of the experience economy and the introduction of “soft” holiday allowance, will lead to marked increase in the number of people travelling to and from cities over the next ten years. However, as cities expand there will be a distinct lack of sites on to accommodate this growing number of visitors

A concept that tackles this dilemma is the development of the “umbilical” hotel, a self-contained, temporary structure which attaches itself to an existing building, otherwise known as the “mother site”. This “mother site” may take the form of a well known central landmark such as the Louvre in Paris or a commercial building such as Macy’s Store, New York.

Top Five Potential Locations for Parasite Hotels

1. **The Louvre**
Paris - France
2. **The Sydney Opera House**
Sydney - Australia
3. **Macy’s Store**
New York - USA
4. **Buckingham Palace**
London - UK
5. **Taj Mahal**
Agra - India

Mother nature

The design and structure of the “umbilical” hotel will cater for the eco-conscious tourist of 2016. The cladding of the hotel is inflatable and is tethered to the mother site, in order to prevent any damage to the structure of the existing building or local environment.

Furthermore, by colonising existing structures the “umbilical” hotel, helps protect increasingly rare green field sites on the commuter belt by preventing urban sprawl.

Hotel on demand

The temporary nature of the “umbilical hotel” means it can be used to accommodate a sudden or one-off influx of visitors to a city, e.g. during a major sports tournament such as the Olympics or World Cup, or when the profile of a destination is raised by a Hollywood blockbuster. Once the peak period of demand has passed, the cord can simply be cut and the “umbilical hotel” is dismantled and moved on to the next destination as demand requires.

Travel & the Environment in 2016

Dr Rebecca Hawkins, Department of Environmental Geography,
Oxford Brookes University

KEY TRENDS IN 2016:

- > **The era of the ethical-tourist:** the small niche group of eco-tourists will expand and ethical issues will be a hugely influential part of the travel industry in 2016
- > **'Fair Trade' & 'Green Label' holidays:** holiday operators will use 'Fair Trade' and 'Green' labelling to satisfy consumer demand for holidays with strong ethical credentials and customers will expect these as standard
- > **Ethical and quality products go hand in hand:** as with organic food, the demand for ethical holidays will not be driven solely by a desire to protect the environment. Consumers of the future will be aware that an 'ethical' holiday will often offer a better quality and 'more authentic' experience
- > **Ethical holiday options:** people will choose fortnight breaks where they spend a week working on local conservation projects or integrating with communities

The ethical tourism boom

In 2016, the demand for ethical tourism will be booming. Just as consumers are currently demanding more ethical and fair trade products from food and retail industries, so too will they demand it from the travel industry. Ethical tourism will be firmly established in the same market as ethical goods by 2016.

Defining the ethical tourist

While there will be a small minority of extreme 'eco warrior' holidaymakers, by 2016, ethical tourism will have become mainstream. There will be a sharp increase in holidaymakers who choose holidays that they consider to be ecologically and ethically sound.

These eco or ethical tourists will be from all different walks of life and demographic groups ranging from students to thirty-something career-breakers to senior citizens with budgets ranging from shoe-string to top-end. The motivation for choosing ethical holidays will vary significantly within these groups. Some, predominantly younger travellers, will be driven by genuine ecological concerns, whilst others will opt for an ethical holiday based on the belief that it offers a better quality and more authentic experience.

The power of one

The tourist of 2016 will take more personal responsibility for his/her holidays, actively seeking out authentic experiences in natural environments. He will seek an escape from the 24/7 global media culture and look to destinations where s/he can experience more cohesive communities.

With people taking more interest in the natural environment and culture that they are visiting, there will also be a trend for more people to offset the environmental and cultural implications of their travel choices.

'Fair Trade' & 'Green Label' holidays



In ten years, consumer demand for holidays that are eco friendly will lead to the introduction of 'Fair Trade Holiday' symbols and 'Green Label Holiday' symbols. Along the lines of the kind of ethical symbols used on food products, certification of the eco-credentials of destinations will be seen as akin to a quality mark.

2016 Eco Tourist Hotspots

Ethiopia

- Despite the country's image being tarnished by famine, the south of the country is well watered and seeped in beautiful scenery such as Lake Tana and the Blue Nile Falls.

Belize

- Boasting the longest barrier reef in the Western hemisphere, Belize provides the perfect spot to explore marine habitats both above and below water.

Costa Rica

- A mecca for eco tourists; flanked by both Caribbean and Pacific shores, Costa Rica has both volcanoes and hot springs and more than a quarter of the landmass has protected national park status.

Montenegro

- A future hotspot for eco-tourists, Montenegro boasts 70 mountains above 2000m, 117 unspoilt beaches, 4 national parks and is home to the Bay of Kotor, one of three listed world heritage sites.

Mongolia

- One of the most scarcely populated countries in the world, Mongolia provides the perfect escape for the eco-tourist of the future. From the Gobi desert to quaint farming villages Mongolia is virtually untouched by fast paced modern living.

The 'Fair Trade Holiday' symbol for destinations will be found on areas that focus on local, organic and fair trade food, that employ and work in tandem with indigenous communities and that make investments in minimising the negative impacts of tourism and offset the carbon footprints of visitors.

The 'Green Label Holiday' symbol will be stamped on accommodation providers that use renewable energy sources such as solar or wind power, have rainwater disposal units and recycling units and invest in their local community.



This eco-friendly labelling is likely to be on a sliding scale where stars are awarded ranging from one to five depending on how environmentally friendly the destination and accommodation are.

Ethical Holiday Choices

With the rise of individualism and the advent of 'hard' holidays, people will look for overseas experiences where they can 'put something back' into local communities. Those in search of an ethical holiday experience will opt for the following types of break:

- > **Working Holidays:** *taylor-made fortnight breaks, designed by holiday operators, where individuals spend their first week enjoying a traditional holiday (in a 5 starred green label resort) and their second week working with a local community*
- > **City Safaris:** *tourists will stay in state-of-the-art low environmental impact urban hotels, which allow them to get a feel for the pulse of a city*
- > **Immersion Breaks:** *following a week on a ethically certified beach resort, individuals will spend a week immersing themselves in the local culture. That may mean living in a traditional village, watching wildlife or participating in cultural events*

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