Culture/Sustainability and Digital Tools/Gaming Workshop

CCIs and Innovative Tourism Development and Building on Synergies related to Augmented and Virtual Reality

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The CCIs and tourism industry are both extremely dynamic and key shapers of contemporary post-industrial societies.

The CCIs are a key economic sector representing about 3.5% of the EU's GDP and employing approximately 6.7 million people or 3% of total EU employment.

The tourism industry worldwide employs 100 million people - 3% of global employment.

Culture is an increasingly important component in tourism products as it permits differentiation in a very competitive global market.

Growth in different forms of 'Cultural Tourism' is being driven by new and emerging trends.

Increasing interest in 'Creative Tourism', defined by UNESCO as 'travel directed toward an engaged and authentic experience with participative learning in the arts, heritage or special character of a place which provides a connection with those who reside in this place and create its living culture.'

Some New and Emerging Trends

- 'Conspicuous Leisure' replacing 'Conspicuous Consumption' as a signal of social status
- Changing tourism consumption patterns (e.g. urban destinations as opposed to resorts)
- Demographic dimension of tourism growth - e.g. the young, 'millenials', 'grey tourists' and Asians
- Emergence of OTAs (Online Travel Agencies) - different ways of planning, buying and preparing for holidays and leisure
- Preference for tourism 'personalisation' rather than 'massification', helped by new technologies and greater consumer choice

Challenges

- Both the CCIs and tourism industry are also characterised by
  - rapid changes/developments
  - extreme fragmentation and diversity
  - a very large number of SMEs and Sole Traders alongside a small number of very big players
  - innovation often being driven by individuals or small businesses
  - a considerable number of 'start-ups' and 'new entrants'
  - government policies and the policy-makers not leading but struggling to keep up with industry developments because of the pace of change

- CCIs in BSR often treated as part of entrepreneurship, innovation, the SME sector or regional development policies
- While sensible at a general macro-policy level, without finely-tuned recognition of CCIs also as a 'sector' with sometimes very specific needs, the synergies CCIs have with other areas, such as tourism, will not develop as widely, as fast and as effectively as they could
- In the case of synergies with innovative tourism development, the untapped potential of Augmented and Virtual Reality and Gaming is very exciting

The pace of usage of Virtual Reality in the immediate future in relation to tourism innovation will depend on:

- extent to which potential of Virtual Reality is more widely understood, not seen just as a new leisure 'fad'
- degree to which relevant CCIs can understand what tourism industry players need and want
- the extent to which the resources, including narrowly-targeted support schemes (e.g. through vouchers) and sponsored experimental projects (e.g. Culturability BSR) are in place
- investment by a wide range of players in VR initiatives
- investment by the big tourism players in innovative VR which will have a trickle-down effect in the industry

VR Usage and the Tourism Industry

- In terms of tourism marketing, VR will almost certainly transform the promotion and selling of tourism and DM in general. Now possible to 'sample' the tourism product in advance (i.e.'Try-before-you-buy' business model)
- Already examples of use by the DM part of the industry but very limited so far (Destination BC - British Columbia and Tourism Australia are the VR pioneers)
- ThomasCook are using VR to promote their hotels and airline amenities and strategically committed to it
- Increasing number of interesting experiments (e.g. ChungKing360 which recreates this Hong Kong food market which also uses smells and heat)

VR in Tourism Development

Other forms of VR usage will include:
- Simulation of tours and cruises
- Simulated historical recreation of heritage and other sites
- Visits to heritage and private property sites/buildings not open to the public
- Allowing elderly and disabled people to 'visit' places which are inaccessible to them
- Promotion of museums and galleries for people who will have only limited time for a real visit
- Reliving a holiday experience (e.g. with friends who will buy the same holiday)
- Key tourism companies enthusiastic about VR (e.g. Sky scanner, Amadeus) interestingly describe its potential in terms of 2024 or 2030

Thank you for your attention

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