

2021 Top Tourism Trends

Economic Trends: Excess savings over the course of the pandemic may lead to inflation post-pandemic. Once herd immunity is achieved with a vaccine, consumers will have an opportunity to spend down \$1.4 trillion (about \$4,300 per person in the US) in savings. If this demand outstrips supply - a possibility attributed to several businesses going bankrupt - it will lead to higher prices for many goods and services.

Demographic Shifts: One in five Americans live in a multi-generational home. The influence of multi-generational living arrangements increases when you also consider the number of households that have moved or relocated to the same town as their relatives. The most common being grandparents that relocate to be closer to grand kids.

Lifestyle Developments: Professional and personal burnout will take center-stage as the pressures of modern life mount. 2020 was a rough year for everyone, and the mental stress toll has not yet been fully accounted for.

Technology Developments: Extended Reality (Augmented Reality, Mixed Reality, Virtual Reality) will proliferate the consumer experience. The levels of virtuality range from partially sensory inputs to immersive virtuality, also called VR (Virtual reality).

Regulatory Environments: Mask mandates and quarantine policies are going to be with us well into the Summer. Asia and Europe have already enacted new regulations tied to a new strain of Covid-19, and vaccine distribution is not forecasted to reach herd immunity levels into late August.

Geopolitics Impacts: A new US President and US/China relations will reshape our place in the world. A new administration means new priorities, and the resources to implement them. The Biden administration has signaled change, with promises to hold both Russia and China accountable for past misdeeds.

Marketing and Operational Innovation: Faster, stronger, cheaper. Technology will level the playing field, making the fight for brand loyalty something every destination can win.

Brand Focus on Consumer Segments: Niche markets will continue to drive demand, starting with sports and evolving to include affinity. For destinations that do not have the budget to compete with the mass market, a niche marketing development approach will be the winning strategy.

Marketing and Infrastructure Investment: Budget continues to set the priorities. Those that spend during the downturn will bounce back quickly post-pandemic.

Brand Awareness and Exposure: Community placemaking and experiences that transform the traveler will take center stage. Partnerships are nice, but real progress comes with amplifying an emotional trigger that resonates in the marketplace.