

Increased economic activity will lead to increased levels of leisure travel both domestically and internationally. As more citizens of the world discover the enjoyment that comes from tourism activities, increasing participation in travel will drive the development of new facilities and services. The highly populated, newly affluent countries of China and India will dominate the market as the top two countries for outbound tourists, supplying the world with a huge demand for travel services. There will also be a large flow of VFR tourists to these countries as former emigrants return to visit relatives in the “homeland” and to learn more about their heritage. Unlike their American and European counterparts, who seek arts and architecture, and active travel experiences, Chinese and other Asian-born tourists are most likely to be motivated to travel to shop and experience cultural values of group engagement, learning, and promote geopolitical aspirations.¹

Tourism markets will probably take a very different path in developed countries such as Canada, France, Germany, Japan, the United Kingdom, and the United States. In these countries, we will continue to see mass-market tourism, but marketers will continue to refine and even “tailor-make” their service offerings to meet the needs of increasingly demanding and sophisticated travelers.

Demographic Shifts

One of the biggest changes that will occur in the tourism market in the 21st century will be the increasing size of the mature traveler segment. The baby boom generations, those tens of millions of post-World War II babies born between the years 1946 and 1964, are retiring in record numbers. As you learned in Chapter 2, mature travelers are a very important tourism segment because of their affluence and ability to travel at any time of the year. By 2050, 34.9% of the U.S. population will be 55 or older, compared with 26.7% in 2010.² According to *Statistics Canada* and the U.S. Census Bureau, Canada will see an even larger increase in its mature traveler group, and the retirement age population in Japan is also exploding. This explosion in the number of senior citizens is happening in virtually all industrialized countries of the world. Consider the potential effects on tourism of the demographic age pyramids represented in Figure 14.1.

Baby boomers are already the most likely **age cohort** to travel.¹ As retirees, they will be even more likely to travel than their parents and grandparents were, and they will be somewhat different in their tourism interests. Senior baby boomers will be healthier, better educated, and wealthier than seniors of previous generations. The increasing number of SKINs (Spend Kids’ Inheritance Now), who are not willing to save their financial assets for their children, have contributed to a growing market of longer holidays.³ Many will have already traveled throughout their country and in foreign lands, often as students or businesspeople. Therefore, they will be seeking new and exciting adventures in their future travels.

So what can we predict about baby boomers’ travel needs once they achieve senior citizen status? First, they will use computers and their smart phones as a source of travel information (both before and during their travels) and reservations and booking. Although they may not be as “connected” as their children and grandchildren, most baby boomers are technologically savvy having owned and used computers for decades. Second, they are likely to be interested in vacations that include a big dose of healthy food, exercise, intellectual stimulation, and the great outdoors. Because they have been health conscious all their lives, the baby boom generation will be a very physically active group of senior travelers. They will probably place more importance on doing and being immersed in destinations rather than simply seeing attractions. Many will have already “been there and done that” during trips when they were younger, so baby boomer seniors will want to go to new destinations that offer different things to experience and learn.