

Conference report

Tourism in Tomorrow's World, 23-24 February 2014, Renaissance City Center Hotel Doha, Qatar

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Abstract

Purpose – *The conference was dedicated to global changes in tourism and to their specific impact in the Gulf Corporation Council (GCC) region. The purpose of this paper is to summarize the discussions at the conference.*

Design/methodology/approach – *Summary and highlights of the conference papers.*

Findings – *This report summarizes the findings and recommendations discussed at the international "Tourism in Tomorrow's World" conference that took place in Doha, February 2014. The conference depicted global trends and developments to zoom in on specific opportunities for tourism development in the GCC area. In view of major events planned in the host country, event legacies were included as a special topic. Conference sessions were dedicated to investments in tourist attractions and hotels, the relation between education and industry and to cultural heritage and tourism. As a result of the conference strong opportunities for tourism development in Qatar and other GCC members were identified.*

Originality/value – *This has been the first international conference on long-term tourism strategies in the GCC area. The underlying motivation was the growing awareness in the GCC area of the need for economic diversification and reduction of oil dependence. The conference coincided with the launch of the Qatar National Tourism Sector Strategy 2030.*

Keywords *Tourism, Events, Scenario planning, Trends, Qatar, Legacies, Investment*

Paper type *General review*

The "Tourism in Tomorrow's World" Conference was organized to discuss the future evolution of tourism and hospitality, with a special focus on tourism in the Gulf Corporation Council (GCC) countries. Qatar's Football World Championship (2022) is just one initiative which showcases the region's growing awareness of the importance of the tourism industry as a key element in its economic diversification. The conference coincided with the launch of the Qatar National Tourism Sector Strategy 2030, and thus was an excellent opportunity for policy makers, investors and scholars to evaluate the country's ambitions in the light of their analysis of global tourism trends.

This approach had also determined the programming of the conference, which started with a session presenting global and regional outlooks for the industry, and the outlines of the country's 2030 strategy. The second session looked into trends in tourist consumer behaviour, whereas event legacies were the subject of the third session. The second conference day zoomed in on investment opportunities arising in Qatar, both in tourist attractions and in the hotel sector. Finally, the attention shifted from "hardware" to "software", as in the last session speakers discussed the cooperation with knowledge institutes, workforce issues and cultural tourism.

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Introduction

The conference programme summarizes its topics and perspective as follows (Coelen, 2014):

The world is changing at an ever more rapid pace. Tourism is, despite sometimes experiencing small setbacks, a growth industry like no other. In 2012 the international tourist arrivals grew by 4% to surpass a record 1 billion. The World Bank estimates that in 2030, only 17 years from now, 66% of the globe's total middle class (just under 4.8 billion people) will live in the Asia-Pacific region. In 2009 these figures were 28% and a total middle class population of 1.8 billion. Part of the definition of middle class life is the ability to spend on leisure and vacations.

Apart from shifting fortunes and moving center point of gravity to East and South, the rise of the middle classes also brings social and political changes. These produce challenges for the tourism and hospitality industry. People want more and they want better.

The change of technology has made significant impact on the individual. The advent of social media brings with it the power of the individual, whose voice can be heard. Well thought out schemes of quality classification are brought down by the voices of individual experiences. We need to act and we need to react appropriately to stay on top of this game.

Tourism in Tomorrow's World was the first conference on tourism and hospitality to be held in Qatar under the patronage of the Prime Minister and Minister of the Interior His Excellency Sheikh Abdullah bin Nasser bin Khalifa Al Thani. The conference is a significant point in time in the nation's socio-economic development and growth. Qatar is developing tourism and hospitality resources at an ever-increasing pace to become the region's emerging hospitality capital.

Stenden University Qatar, the European Tourism Futures Institute (ETFI) and Al Rayyan Tourism Investment Company (ARTIC) – part of the Al Faisal Holding Group, host the conference. It is conducted with the support of the Qatar Tourism Authority, the lead organisation in Qatar on tourism development.

The conference will address issues in respect of the sustainable development of major infrastructure, the management of hospitality in the light of challenging circumstances, and aspects of a changing world with people who demand high quality hospitality and touristic resources.

Day 1, opening session: Global and Regional Outlook

The conference was opened by HE Issa Al Muhannadi, Chairman of Qatar Tourism Authority (QTA), who gave a preview of the Qatar National Tourism Sector Strategy 2030 for the development of the country as a tourism destination in the coming years; this strategy document was to be officially presented on the evening of the first conference day at a meeting organized for that purpose by the QTA.

Qatar's new strategy foresees \$40-45 billion investments by both the government and the private sector. The tourism industry is planned to contribute a total of 5.1 per cent to GDP by 2030. The target is to attract seven million visitors to Qatar by 2030, resulting in a workforce growth from 25,000 to 127,000 employees in the hospitality and tourism industry. QTA seeks to position the country as a culture and heritage destination in which the nation must become a knowledge producer in important economic sectors. Furthermore, the strategy presents the diversification of tourism: business tourists, tourists seeking comfort and wellbeing, families seeking leisure and entertainment, wealthy world travellers, travellers seeking new destinations and cultures and budget-conscious tourists. Al Muhannadi emphasized that this national tourism strategy will generate numerous economic, social, cultural, environmental and industry benefits.

Dr Taleb Rifai, Secretary General of the United Nations World Tourism Organization (UNWTO) spoke about the need to develop tourism to international sustainable standards with UNWTO's globally recognized Code of Ethics for Tourism. He pointed out that the tourism industry is facing different challenges: travel restrictions due to visa regulations, connectivity, especially between countries in the developing world, raising awareness of the significance of tourism to strengthen public-private partnerships and sustainability: the tourists can mean, as Rifai stated, "one billion disasters or one billion opportunities". He expressed his confidence that Qatar's industry will be able to act towards a strong commitment on sustainability.

The ceremonial opening speeches were delivered by HE Sheikh Faisal bin Qassim Al Thani – Chairman of Al Faisal Holding Group and Leendert Klaassen, President of Stenden University of Applied Sciences in the Netherlands, who both emphasized the impact of this event taking place in Qatar. Professor Robert Coelen, Executive Dean, Stenden University Qatar (SUQ) in his welcome address outlined SUQ's motivation for hosting the conference. He envisioned the region's future in the perspective of global market shifts by 2030.

Day 1, second session: Tourism and the Future – Tourist Behaviour

Dr Ian Yeoman, Visiting Professor and Lector, European Tourism Futures Institute, addressed the issue of the future of global tourism depicting the latest scenarios and forecasts. "The future is about visioning", Yeoman pointed out, with the essential question of where wealth, resources and technology will be. Demographics are changing with an ageing society, especially in traditional markets, but also with an ageless society where preferences and behaviour are no longer age-bound. With increased wealth and upcoming middle classes in emerging economies, the numbers of tourists will continue to rise sharply, with four billion tourists, or one in two people, going on holiday in 2050. Availability of resources is another driver of change that will determine how wealth is spent. Besides the well-known concerns of oil and water dependence, Yeoman reminded the audience that food prices are correlated with fuel prices. Beach and romance will still be, in the future, the main attractions for tourists; traveler expectations will not cease to go up, meaning that today's five-star hotel will be, according to Yeoman, the future's three-star hotel.

Professor John Ap, Associate Dean and Programme Leader, International Tourism Management SUQ, saw the opportunities for future tourist developments mainly in "niche" tourism: "Small is beautiful". Therefore destinations should consider niches such as medical tourism, spa tourism, Antarctic and Arctic tourism, gay tourism and space tourism. He also reminded developers to choose a demand-driven approach, quoting Disney's famous words: "You build it for them". In conclusion, delivering good service and service quality is key to achieving guest and tourist satisfaction, as well as loyalty through repeat patronage and positive word-of-mouth. He concluded that the basics measures for delivering memorable experiences are consistency, high-quality service and attention to detail.

Day 1, third session: Event Legacies

Professor Miquel de Moragas, Professor of Communications and Dean of Faculty of Communications Sciences Research, University of Barcelona, highlighted the lessons learnt from post-Olympic Barcelona. A major event as the Olympics offers an opportunity for new symbolic production, allowing a city to design the "traditions of the future", for instance through the creation of new landmarks that will determine the city's image for future visitors. Careful planning this redesign will contribute to the benefits a city will reap from the event, as it will also lead to the spreading of tourism over different new highlights, places or activities. The fact that athletes had been housed on boats has been crucial in the creation of logistics and facilities for what is currently the number one cruise harbour in the Mediterranean.

Another example of how major events present a nation with an unprecedented opportunity to showcase itself on a world stage was presented by Sumathi Ramanathan, Regional General Manager VisitBritain. Britain capitalized on the 2012 London Games in a meticulously planned three-stage campaign. The Pre-Games campaign was designed to build an image, benefitting from five years of international press exposure, and to establish relationships with past and future host cities. Efforts were coordinated to promote a positive image of Britain, to refresh its appeal to its core markets and to reach new customers in emerging markets; investments were made to improve the welcome to visitors. During the Games, the campaign aimed at showcasing destinations throughout the country. Kickstarting a Post-Games campaign right after the event had been crucial in Britain deriving tourism benefits from hosting the London 2012 Olympics and Paralympics. The image of Britain as well as the intention to visit the country have improved demonstrably. The event legacy is therefore crucial in VisitBritain's long-term

strategy, which aims at raising visitor spending from 18 to 31.3 GBP, the number of visitors from 32 to 40 million and at generating 200,000 new jobs.

Martin Robertson, Victoria University, Australia, discussed the future of major events in tourism. Events are catalysts of change; Robertson agreed with the previous speakers that they are essential in changing the touristic image of destinations. His scenario inspired presentation cited a number of drivers of change; in the first place, demographics. The “pig-in-the-python” pyramids of traditional destinations have led to the attention being focused on baby boomers, with the older generation becoming users and providers of events. On the other hand, the Middle East has a relatively young population and workforce. A second driver is urbanization, with megacities becoming dominant and crowded. The focus on the self is a further driver, leading to a stronger demand for personalization with immediate involvement in events. Finally, the impact of technology is an important driver of change. Robertson argued that increasing global lifestyle convergence is the result of these drivers.

Day 2, first session: Investment Opportunities in Major Tourism Attractions and Infrastructure

Gregory Clarkson, Senior Planner Ashghal, presented the new Doha Zoo as a case study in the sustainable approach to tourist development in Qatar. This zoo, as he explained, will be the first biosphere in the world of its kind integrating nature conservation and visitor experience. The “zoological paradise” will have to offer a well-designed service as well as well developed story telling. With a limited local market, the park will rely strongly on repeat visits and on integration into the community and into local facilities. Also, small-scale and high-end hotel accommodation is planned on the premises of the new zoo.

Gurjit Singh, Chief Development Officer of Aldar Properties PJSC spoke about “Destination Development: Creating Economic Multipliers Through Tourism, Theme Parks and Attractions”. His approach to investment analysis, derisking and integrated planning was demonstrated with the case studies of Sentosa Island in Singapore and of Yas Island with Ferrari World in the UAE. Especially the ever-shorter life cycles of leisure attractions condition planning and investment in these parks.

Day 2, panel session: Investment Opportunities in Hotel Development

In the next session an expert panel led by Rutger Smits, CEO of ARTIC and composed of Scott Woroch, Executive Vice President, Worldwide Development – Four Seasons Hotels and Resorts, Mark Wynne-Smith, Global CEO – Jones, Lang, La Salle – Hotels & Hospitality Group, Jan Roersma, CEO, Hospitality Support Group B.V., discussed hotel development and investment strategies. Scott Woroch described a world where the economic centre is shifting east and south, aligned with demographic trends. Of special interest is currently the African continent. Africa is becoming a market of global scale with its population expected to double over the next 25 years, the fastest growth rate of any continent. Investment criteria for his company are the strength of the destination, quality of the site and strength of capital partners. However, he reminded the participants also of challenges: delivery capability – an issue of experience rather than of capital, limited focus on the industry in some investment regions, political instability, shortage of industry information and infrastructure issues. He concluded that the key to long-term growth sustainability is to have partners with multi-unit potential, to focus first on urban hubs, and to venture into a first step.

Mark Wynne-Smith focused on investment opportunities in hotel real estate. In his view, real estate is not sufficiently appreciated in portfolios as it represents only 5 per cent of investment globally, whereas it stands for strong returns of around 7 per cent. Currently we see a return to hotel investments in countries as Russia, India and China, reflected in a global transaction growth of 40 per cent. In sum, while hotel investment represents a higher risk than other options, Wynne Smith foresees an income growth for the next five years which will be at least competitive with profits generated by office real estate.

Jan Roersma pointed to the diverse motivations to invest in hotels: pleasure, profit and prestige. The presence of a strong hotel brand may add value to a property by driving rent rates for office space as well. In his analysis, A locations make for higher rates while posing higher barriers of entry, whereas markets at B locations have a higher volatility. In the Middle East, Roersma argued, there is no hotel market as yet, meaning that hotel investors should take their decisions thinking of new markets that need to be created.

The three speakers engaged in a panel discussion in which they reflected on the presentations and put them into a regional perspective.

Christopher Knable, Katara Hospitality gave his viewpoint on “Hotel Development in Qatar”. The country has become an international hub with direct Qatar Airways connections from Doha to 128 destinations. With a planning horizon of ten to 20 years, he foresees the current total of 14,894 hotel rooms to double. He also outlined some of the trends that will determine the characteristics and the success of future hotels. Knable predicted that, instead of anticipating guests’ expectations as is required today, big data will allow hospitality companies to be even more ahead of the demand and to “anticipate anticipation”. The pop-up trend will increase the volatility of the hotel market. Another driver for future developments will be the desire for instant communication between hotel and guest. It remains to be seen how social media, key for this development, will evolve.

Day 2, third session: the Role of Culture and Education

Professor Conrad Lashley, Stenden University, The Netherlands, presented a paper on “Partnership: the way forward for industry and academia”. Lashley suggested an array of potential projects that could involve close cooperation between industry and academia. Previous experiences in the UK show how such cooperation can result in more effective working, reduced costs, and increased profits. Universities, as he argued, have major skills in research and consultancy that enable the development of research activities exploring issues such as staff retention and the benefits flowing from training programs. In addition, the university working with industry partners may develop training and management development courses that can be certificated in order to produce a university award associated with in-company programs. He advocated the creation of a partnership committee between university and industry responsible for an agenda of priorities to shape and guide activities.

Maja Arslanagic Knezevic, Head of the Qatar Museum Authority (QMA) Cultural Tourism Unit, focused on cultural heritage as one of the important elements in Qatar’s tourism strategy, and positively highlighted how this role was being recognized at this conference. The ambition of the QMA is to become “a global leader in the world of museums, arts and heritage”. Two different motivations can be distinguished, one based on ideology and cultural or religious values, and the other more directly linked to tourism economics. In the first place, the vision is strongly linked to the preservation of Qatar’s cultural identity and the country’s desire to enhance Arab and Islamic values. Regionally, the strategy aims at Qatar becoming a cultural hub. The impact of cultural tourism is seen as not just limited to strengthening and diversifying tourism, but also contributes to valorizing and preserving heritage as well as developing cultural understanding. In the second place, Knezevic also remembered the economic benefits derived from cultural tourism, as this is a market composed of highly educated individuals who, during cultural tourism activities, spend one-third more than average tourists. QMA has created a Cultural Tourism Unit that will be responsible for all actions in support of the development of cultural tourism, ranging from research and sustainable management to marketing and establishing partnerships.

Dr Craig Thompson, Academic Dean, Stenden School of Hotel Management, highlighted the key issues pertaining to Qatar’s tourism future; will tourists come to Qatar? In what numbers and how will they behave? Why will tourists come? He shared with the audience the importance of the hardware (transport, accommodation, infrastructure, attractions, events) foundation upon which Qatar’s tourism should be built. On the other hand, software, i.e. human resources will be key to determine the “Qatar Experience” and ultimately whether Qatar’s tourism is sustainable: not only will it be crucial to educate and train the numbers of hospitality and tourism workers foreseen in the 2030 strategy, they should also be selected and trained to transmit the

Qatari hospitality values and authenticity to future visitors. This is, according to Thompson, potentially the greatest challenge facing Qatar. Meeting this challenge will require making difficult and far reaching decisions and implementing challenging strategic initiatives.

Conclusion

In the coming decades tourism will show a continued and strong growth. Due to demographic trends and global changes in wealth distribution, this growth will be particularly strong in emerging economies. Qatar and other Gulf Corporation Countries may benefit from this growth pattern and thus diversify their economies reducing oil dependence. A series of recommendations were given by speakers at the "Tourism in Tomorrow's World" conference that can be summarized as follows:

- a demand-driven development with an eye for trends as lifestyle convergence, ever increasing customer expectations and small specialized niches;
- embedding major events and their promotion in carefully planned long-term campaigns aimed at refocusing or improving the image of the destination;
- seizing investment opportunities in attractions and hotels based on market intelligence and an understanding of life cycles; and
- finding the balance between investment in "hardware" and "software" including research, preservation of cultural identity and workforce planning.

Reference

Coelen, R. (2014), "Tourism in tomorrow's world", foreword to the conference program, Stenden University Qatar, Doha.

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