As the 600 leaders from global Travel & Tourism’s public and private sectors depart Dallas, Texas and the 16th WTTC Global Summit, we are left with a strong message for the future. It is time for Travel & Tourism to look beyond the boundaries of its own businesses, destinations, and operations and show a broader leadership, as befits an industry sector that is responsible for nearly 10% of the world’s GDP.

‘Travel Beyond Boundaries’ brought together senior US government officials, the Secretary General of the World Tourism Organization, industry CEOs and internationally recognised thought leaders in the fields of global mega-trends, security, finance, and technology. After 12 hours of conference discussions, with 70 speakers and 11 panel sessions, the themes emerging were clear:

1. Climate change, terrorism, pandemics and cybercrime know no boundaries. In order to operate effectively in an interdependent world that is becoming ever more connected and inter-reliant, our sector requires leadership that looks beyond the normal boundaries of business. Travel & Tourism needs to assert itself as a relevant and effective part of the solution to global challenges.

2. Global security and terrorism is the overriding concern of industry leaders from both public and private sectors. Travel & Tourism has to ensure that freedom to travel is maintained by engaging with security agencies, investing in technological solutions and ensuring mechanisms are in place for effective crisis response.

3. Travel & Tourism continues to perform well and future prospects remain good. Nevertheless with the number of international travellers projected to nearly double by 2030, growth needs to be managed effectively. Travel & Tourism must take responsibility for its impact in a world of shrinking resources.

4. For the first time empirical evidence has confirmed the sector as a driver of peace. Countries with sustainable and open tourism sectors are more resilient to the challenges posed by conflicts. This power to be a force for good must be harnessed and preserved by policy makers and governments.

5. Digital and mobile technology and ever more sophisticated automation continue to drive opportunities and disrupt traditional business models. In a sector that differentiates on customer service, seamless travel is becoming a reality. Travel & Tourism needs to strike the right balance between technology and service and ensure that the skills of the future workforce reflect this.

6. We are seeing a shift from controlled, centralised businesses, to those which value transparency and lateral economies of scale. Companies that look outside themselves, provide external leadership, and are not afraid to do things differently are those that will succeed.
Travel & Tourism continues to be a growth sector. UNWTO forecasts 1.8 billion international arrivals per year by 2030, and WTTC’s economic data is predicting annual growth of 4.2% over the next decade.

The question of whether or how this growth can be sustainable continues to be asked, and the need for Travel & Tourism to take responsibility for its impact in a world of shrinking resources was an ongoing theme throughout the Dallas Summit.

The prominence of concerns around safety and security poses a risk to the sustainability agenda, as those in charge focus on the immediate challenge of terrorism rather than the long term solutions. However, speakers at the Summit provided some stark reminders of why sustainability must not be forgotten:

“We could lose half of all species on the planet in the next 70 years” – Jeremy Rifkin, Advisor to the European Union, President of the Foundation on Economic Trends, told delegates that we are in ‘real time’ climate change that is not a mere academic exercise. He reminded the audience that extreme weather events are already impacting Travel & Tourism across the world, and that the sector through its carbon emissions is a significant contributor to climate change.

“Three rhinos will be illegally killed tonight in South Africa”: according to Simon Stobbs, from Wilderness Safaris, winner of the Tourism for Tomorrow Environment Award. Through its Botswana Rhino Conservation project, Wilderness is responsible for 1% of the world’s remaining black rhino population. The Honourable Walter Mzembi, Minister of Tourism of Zimbabwe also highlighted the risk of illegal poaching to Africa’s Travel & Tourism - 80% of which is reliant on wildlife, describing it as ‘a different type of security problem’.

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The annual Tourism for Tomorrow Awards provided an insight into those who are leading the action on sustainability. Innovation Award winner, the Netherlands Travel Trade Association’s Carmacol Carbon Calculator, is one such example, enabling tour operators and customers to reduce their carbon emissions by choosing one destination, mode of transport, hotel or activity over another.

Pioneering in its scope and accuracy, the carbon calculator has the potential to empower travel companies to measure the environmental impact of their holidays and inform consumers of their choices.

Despite the impressive and inspirational stories from the Tourism for Tomorrow Awards, there is still much work to be done and there were three clear calls to action for the sector:

Jeremy Rifkin, called on Travel & Tourism to provide a roadmap for the future in the light of climate change.

Erika Karp, CEO, Cornerstone Capital, called on the sector to increase financing for sustainability and urged companies to be transparent through Environmental, Social, and Governance reporting.

Jeffrey Sachs, economist and Director of the Earth Institute at Columbia University, urged Travel & Tourism to engage with and lead on the UN Sustainable Development Goals, where the sector has an important and urgent role to play.

Fabien Cousteau summed up the optimists’ point of view: “I look forward to the day that it is not called sustainable tourism, just tourism”. How the sector responds to these calls to action will determine how near or far that day is.
The challenges facing our world are massive. Delegates at the WTTC Global Summit in Dallas, Texas heard from a range of keynote speakers who identified some of these challenges and highlighted the role Travel & Tourism can play in addressing them.

Top of mind for the CEOs and government leaders was terrorism. With the Paris shootings and Brussels bombings still fresh in delegates’ minds, the tone of discussions was clear: it’s not the terrorist attacks per se that are the real risk but the response of governments, consumers, and the industry to them. US Secretary of State Penny Pritzker issued a call to arms to save the USVisa Waiver programme, which she described as ‘at risk’.UNWTO Secretary General Taleb Rifai described the EU’s Schengen Agreement “has the potential to ‘fall apart’” and Royal Caribbean CEO, Richard Fain, summed up the views of several speakers when he said, “It is easier [for governments and the media] to convey a message of fear than a message of safety and progress”. There was an overwhelming sense of urgency amongst speakers that the private sector must work even more closely with colleagues in government to ensure that responses to terrorism do not unnecessarily impact Travel & Tourism.

Jeremy Rifkin, Advisor to the European Union, President of the Foundation on Economic Trends, echoed this sentiment, identifying terrorism as a ‘hot topic’ but highlighted that in reality events are few and far between. In his opinion, the opportunities offered by what he describes as the “3rd industrial revolution”, namely the coming together of the three internets for communication, digitalised renewable energy, and automated transportation, are huge. In reality, for Travel & Tourism this means the growth of the sharing economy, people producing their own renewable energy, and the move from car ownership to the ownership of mobility. In the words of Taleb Rifai: “we need safe, secure, more closely with colleagues in government to ensure thatTravel & Tourism needs to provide a map for the future in terms of climate change.

Erika Karp, CEO, Cornerstone Capital, highlighted the importance of capital markets in addressing such challenges. We need three times the current amount invested in alternative energy and she urged companies to collaborate, be transparent, and ultimately ‘move money’. She equated corporate sustainability to corporate excellence, and highlighted the opportunities of Environmental, Social, and Governance reporting. An audience poll suggested that only half of companies represented at the Summit had undertaken an ESG report in the last two years — the Travel & Tourism sector clearly has work to do in this area.

Another area where the sector was seen by some as dragging its feet is that of cyber security. Security Specialist PW Singer highlighted the magnitude of the challenge — cybercrime costs the global economy half a trillion dollars in 2015. Furthermore, 60% of online attacks are on SMEs. For a sector that is 80% SMEs that is of great concern. However, only 42% of companies represented had undertaken a full cyber security risk assessment exercise in the past year; and his own research showed that only 11 out of 46 tourism brands studied had taken steps to protect customers against email fraud. If data sharing is to be a key component in addressing the security problem, then consumers need to be confident in those who hold it.

PW Singer highlighted three specific challenges that need to be addressed:

1. Communication: There is a reluctance on the part of both companies and governments to talk about cyber-security, not just to each other but to competitor companies or other governments.
2. Co-ordination: Bad handling of cyber attacks by PR, law departments and the board can escalate a problem significantly. The whole company needs to be confident in those who hold it.
3. Planning and response: Cyber security breaches are not typically due to software issues but usually because security planning is not adequate and the crisis response process not in place.

As David Scowsill, WTTC President & CEO, summed up in his closing speech: “Let’s make it the new norm to go further than we have ever gone before in championing and resolving the big issues of our age. Let’s claim the leadership position.”
HE. Ms. Kobkarn Wattanavrangkul, Minister of Tourism, Kingdom of Thailand, host of The Global Summit 2017 with David Scowsill, President & CEO, WTTC

Greg Abbott, Governor of Texas opens The Global Summit 2016

Gerald Lawless, Head of Tourism and Hospitality, Dubai Holding discussing what drives competitiveness in cities

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Incoming Chairman Gerald Lawless presenting Incumbent Chairman, Dr Michael Frenzel with a gift at the Annual General Meeting

Founding Members James D Robinson III, Bill Marriott, and Bob Crandall attend the Annual General Meeting, Marking the 25th Anniversary of WTTC.

The Meet The Expert sessions on the second stage gives the audience the chance to ask questions to the Summit speakers in an informal environment

George W Bush, 43rd President of the United States of America attends a private Reception and Dinner with WTTC Members at the George W. Bush Presidential Library and Museum

Behind the scenes - The Summit live stream attracted almost 10,000 views

MUHTAR KENT, Chairman & CEO, The Coca Cola Company

“The golden triangle - when business, government and civil society cooperate.”

BRIAN MOYNIHAN, Chairman & CEO, Bank of America

“The world will grow better if we're all working towards a common goal, to drive growth.”

SIR MARTIN SORRELL, Founder & CEO, WPP

“I think the biggest driver – or the biggest concern – is focus on the short-term.”

YURI FEDOTOV, Executive Director, UN Office on Drugs and Crime

“If Governments could foster and help as opposed to putting up barriers I think that would truly help.”

STEPHEN KAUFER, President & CEO, TripAdvisor

“...work alongside UNODC to ensure that tourists can explore the amazing world we all share, free of crime and terrorism.”

GEOFFREY KENT, Founder, Chairman & CEO, Abercrombie & Kent interviews J.W. Marriott, Jr., Executive Chairman and Chairman of the Board of Marriott International, Inc.
ON TOURISM & SECURITY

GLOBAL SECURITY AND TERRORISM IS THE OVERRIDING CONCERN OF TRAVEL & TOURISM INDUSTRY LEADERS FROM BOTH PUBLIC AND PRIVATE SECTORS

Travel & Tourism has to ensure that freedom to travel is maintained by engaging with security agencies, investing in technological solutions, and ensuring mechanisms are in place for effective crisis response.

Global security and terrorism emerged as the overriding concern of Travel & Tourism leaders from both the public and private sectors at the WTTC Global Summit in Dallas. Discussions focused not only on the impact of terrorist attacks themselves, but the impact of government reaction to attacks, and what needs to be done to ensure ‘safe, secure and seamless’ travel in the future.

Speakers, while recognising the devastation terrorist attacks incur to destinations and individuals affected, agreed that Travel & Tourism is broadly speaking resilient. Desiree Bollier, CEO, Value Retail, told delegates that footfall in their Village near Brussels returned to pre-attack levels within a week. The impact of the Paris attacks was greater, but by January (two months after the attack) footfall was at record levels. Jeff Rutledge, CEO, AIG Travel, highlighted that consumers are changing their destinations but not cancelling travel plans altogether.

The much greater risk to the Travel & Tourism sector is that of the reaction, or perhaps overreaction, of governments and the media to terrorist attacks. Arne Sorenson, CEO, Marriott International talked of the ‘instinct to isolate’ and Richard Fain, CEO, Royal Caribbean Cruises, highlighted that ‘it is easier to convey a message of fear than one of safety or progress.’

Taleb Rifai, Secretary General of UNWTO highlighted ‘the danger in many parts of the world of people capitalising on fear’. US Deputy Secretary of Homeland Security, Alejandro Mayorkas, shared the challenge from a government perspective by highlighting the dynamic nature of the threat. The DHS focused last year on screening passengers leaving for other destinations. But the Brussels attack has shown that an airport as a location is something to be concerned about as well.

With the US’s visa waiver programme and the EU’s Schengen agreement both at risk there is a pressing concern that the significant progress made in visa facilitation over recent years will be undone. However, there is a huge opportunity for the Travel & Tourism sector to be a significant player in finding the solution, as identified by Chris Nassetta, President & CEO, Hilton Worldwide: ‘We should ensure that people cross borders and use that to collect information - information that could not be collected otherwise - to make the world safer.’

There was consensus that Travel & Tourism does indeed have an important role to play, most significantly in the area of data sharing. Penny Pritzker, US Secretary of Commerce, highlighted the need to develop international systems to share data, including Passenger Name Records and emphasised that travel can work hand in hand with national security.

She issued an urgent call to action for the sector to help ensure the future of the visa waiver programme. She urged CEOs to work with their governments to facilitate the necessary improvements in data and security that are required for visa waiver to evolve.

There are further opportunities to develop and promote trusted traveller programmes. In the words of Roger Dow, CEO, US Travel Association, ‘focus resources on finding the bad guy, leave good people with less hassle’.

Safety and security is going to remain high on the agendas of CEOs and tourism ministers for the foreseeable future. The overriding message from Dallas was that Travel & Tourism as a global industry needs to engage at the highest level and assert itself as part of the global solution to what is, without doubt, a global problem.
For the first time, empirical evidence has confirmed the sector as a driver of peace.

Countries with sustainable and open tourism sectors are more resilient to the challenges posed by conflicts. This power to be a force for good must be harnessed and preserved by policy makers and governments.

Alongside the hefty discussion around terrorism and security, a parallel theme of ‘peace’ emerged. New research by WTTC and the Institute of Economics and Peace (IEP), shows for the first time that Travel & Tourism is a driver of peace. Ensuring that governments, consumers and wider society understand the sector’s power to be a force for good will be critical to the future not only of the sector itself but of society as a whole.

According to Steve Killelea, Founder of the Institute of Economics and Peace, peace is a prerequisite to the survival of society. In a world whose challenges — climate change, water shortages, decreasing biodiversity — are underpinned by overpopulation, without peace there will never be the trust, cooperation, and inclusiveness to solve these problems. Peace is not simply the antithesis to conflict but something that needs to be understood, studied, and measured in itself. The IEP’s Global Peace Index does just that, and alongside WTTC a new Tourism Index has been developed to look at the relationships between them.

Delegates received a first-hand insight into peace and forgiveness in action from the inspirational Raisuddin Bhuiyan. The victim of a racist attack in Dallas back in 2001, Rais lost sight in one eye. Rather than turning to hate and promulgating violence, he has channeled his reaction positively by setting up an NGO, World Without Hate, which promotes cross-cultural empathy through education and supports the victims of the crimes that result when this empathy is lacking.

Tourism as a solution where other industries have failed was showcased by Tourism for Tomorrow Destination Award winner Parkstad Limburg from the Netherlands. A 110km square, struggling, former coal mining district has been transformed into a viable, sustainable tourism destination. From zero tourism in 1998, the region now has a tourism turnover of nearly 370 million euros and supports 5800 full time jobs. The ‘black to green’ makeover has included new attractions, public spaces, and walking and cycling routes, all engrained in sustainable architecture and infrastructure—a shining example of how tourism can be used to repair a region’s natural assets and regenerate a local economy.

A further example of tourism as a force for good was that of Community Award winner Expediciones Sierra Norte from Mexico’s Oaxaca region. For 22 years, this community ecotourism project has been working with community leaders to develop biking and walking trails that offer tourists an authentic experience whilst preserving indigenous knowledge. Ownership is shared and profits are redistributed throughout the communities visited. Visitors have grown from just 20 in 1995, to over 17,000 last year. Expediciones Sierra Norte has successfully shown how the economic benefits of tourism can be used to bind a community closer together and help to protect what is important to the people who live in these remote mountain villages.

Mexico is one of the world’s less peaceful countries (according to the IEP Global Peace Index), and the example of Expediciones Sierra Norte shows how tourism can bring communities and the wider world together for economic and social good, even in a context of security concerns and violence.

As the global community focuses more and more on security, and we see the very real risk of inward looking, protectionist responses, the whole Travel & Tourism sector needs to rally behind the empirical evidence that proves that our sector is a force for good in the world, and ensure that this message is delivered coherently and convincingly.
Digital, mobile technology, and ever more sophisticated automation continue to drive opportunities and disrupt traditional business models. In a sector that differentiates on customer service, seamless travel is becoming a reality. Travel & Tourism needs to strike the right balance between technology and service, and ensure that the skills of the future workforce reflect this.

Technology has long been established as one of the most significant disruptors of traditional Travel & Tourism business models. In 2010, at the WTTC Global Summit in Beijing, Barry Diller, Chairman & Senior Executive of Expedia, Inc. and IAC, told delegates that the future was mobile. In 2016, at the Global Summit in Dallas, his wake up call was around machine learning and artificial intelligence. For a sector that differentiates on customer service, this will pose challenges and bring opportunities in equal measure.

Advances in artificial intelligence mean that many elements of the customer experience can be automated—from decision making and booking through to after sales and delivery—with considerable efficiencies for companies. However, the human touch is still a vital element of the overall travel experience. Matthew Upchurch, CEO, Virtuoso explained how “people buy the why and commoditise the what” and that as human beings we are wired for human connection. Data from American Express bears this out with 50% of their business online or mobile and 50% via traditional phone or personal interaction.

That said, the use of technology in the right place at the right time in the right way is vital. Michael Levie, Founder and COO of citizenM Hotels, explained their model of check in/out machines with ‘ambassadors’ on hand to help customers with whatever the machines could not. Claire Bennett, President, Global Consumer Travel and Lifestyle Services, American Express agreed that it’s not an ‘either/or’ between technology and personal service but an ‘and’. Both highlighted the importance of a platform that allows companies to communicate effectively with customers throughout the trip.

With this in mind, as Rafat Ali, CEO, Skift, pointed out, it is important that consumers can use their day to day technology while travelling, rather than having to use specific technology. Tom Klein, President and CEO, Sabre reminded us that good design is paramount, as is building up trust and most importantly investing in data security.

For, after all, you “can’t take the humans out of humanity”; a sentiment echoed by Bill Marriott who emphasised the importance of people for his company in the past, present and future. The Youth Career Initiative, (YCI), winner of the Tourism for Tomorrow People Award and a partnership of major global hotel companies, trains young people from around the world to work in hospitality, showing that industry commitment to real humans is still alive and well.

So while it seems that the 108 million jobs directly created by the sector are still relevant, the world is moving fast. As David Radcliffe, CEO, Hogg Robinson reminded us, in the words of Charles Darwin it is “not the strongest or most intelligent who will survive, but the ones who can adapt to change.”