

# A Qualitative Study of the Consumer Mindset that has given rise to the concept of New Tourism



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*The UNWTO in 1995 defined tourism as “people traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure and not less than 24 hours, business and other purposes”. The researcher observes that this definition does not wholly encapsulate the concept of tourism anymore. It has been observed that advances in technology and globalization since 1995 have significantly influenced Consumer Mindset which in turn has led to the development of “New Tourism”, a term that refers to the new-aspects of tourism brought on by socio-cultural and economic changes. Source: (United Nations World Tourism Organization, 1995), (Patil, 2013)*

**Keywords:** New Tourism, Globalization, Technological Progress, Internet Adoption, Social Media, Mobile Technology

## **Objective**

*To understand the drivers of new tourism with respect to Indian tourists*

## **Scope**

*Scope for improved understanding of changing customer mindsets leading to better campaign targeting within the modern tourism industry*

## **1. Literature Review and Premise**

### **1.1 Traditional Tourism**

In 1995, the United Nations World Tourism Organization formally defined tourism as persons travelling to and residing in places other than their usual environment for a period no less than 24 hours and no more than one consecutive year for any purpose. Source: (United Nations World Tourism Organization, 1995)

### **1.2 New Tourism**

New Tourism is a term that refers to the new aspects of social, cultural and economic factors that have resulted in rapid diversification and evolution of the tourism industry. New tourism as a concept is closely associated with post-modernization (linking tourism industry with other industries to satisfy interests of consumer groups), digitization (collection and dissemination of information through electronic means) and sustainability (holistic environmental sustainability). Source: (Articles Junction Blog, 2013)

### **1.3 Globalization**

Globalization refers to how human societies are progressively getting closer and transcending geographic barriers to goods, services, ideas and cultures. Globalization is rendering the world increasingly interconnected and interdependent every day. Intercultural interactions have led to increased socio-cultural awareness and global cultures are being developed from the interweaving of regional cultural heritages. Source: (Global Policy Forum, 2019)

### **1.4 Technological Advances**

#### **1.4.1 Internet**

The Internet is a global interconnected network of computer devices and other networks. In 1991, the World Wide Web became publicly accessible and led to rapid internet adoption. By 1996, businesses were listing websites in their advertisements and the internet had become a part of people’s everyday lives. **Source:** (Bryant, 2011).

The most impactful internet technologies in recent times have been mobile technology and the social media web. Mobile technology has facilitated greater reach and penetration of the internet usage across the globe whereas the social web has drastically altered how people communicate amongst each other through online media. **Source:** (Internet World Stats, 2019)

#### **1.4.2 Social Media Web**

The social media web refers to online platforms that enable people to share content quickly, efficiently and in real-time and facilitate the interaction of people through sharing and consumption of personal information. Social media has brought about

a revolutionary change in real time sharing and consumption of information by individuals amongst their online peer groups. Source: (Express News Service, 2015)

### 1.4.3 Mobile Technology

Mobile technology is a form of wireless communication wherein many devices have the ability to transfer data simultaneously on the same channel. It is rapidly evolving and is gradually replacing other communication systems such as post and wired telephony. It is now widely prevalent in both rural and urban areas of the world. Smartphones and feature phones nowadays are equipped with internet connectivity enabling users to share and collect information, do online shopping and access entertainment more easily than before. Since Dec 1995, approximately when mobile technology became a part of consumer culture to June 2019, the number of worldwide internet users has increased from 16 million persons or 0.4% of the world's population to 4.536 billion persons or 58.8% of the global population. Source: (Macwan, 2017), (Internet World Stats, 2019)

## 1.5 Socio-Economic Trends

- i. Consumer decision making process is more informed than it was in the past. Consumers compare offerings in detail through expert and peer reviews, exchange experiences online and are sometimes involved in designing the product or service as well. **Source:** (Haron, 2019)
- ii. The platform economy is growing and there are significant changes in how consumers access products and services. This in turn influences how people interact and complete transactions. The development of a sharing economy has shifted consumer priorities from owning physical assets to accessing them like renting of cars and appliances. **Source:** (Haron, 2019)
- iii. India offers a vast variety of tourism opportunities to global travellers. In 2017, India ranked 7<sup>th</sup> among 185 countries in terms of Tourism's contribution to GDP (World Travel and Tourism Council) having contributed 9.4% of GDP and 8% of total employment with 11% of people's disposable income being spent on travel. Travel spending is forecasted to grow at a compounded rate of 9.3% per annum to USD 136 billion by 2021. This is fuelled by increased access to smartphones and internet connectivity, government initiatives to develop travel infrastructure and increased investment in associated industries by private organizations. **Source:** (EY, 2019), (Shekhar, 2019), (Chaliawala, 2019)
- iv. Consumer behaviour is more effectively influenced by opinions, reviews and recommendations, from friends and family members as compared to advertising and promotions. People also get recommendations from social ads when they search for corresponding or closely associated content online. **Source:** (Narendra, 2017)
- v. Films and television play a significant role in facilitating the dissemination of culture and propaganda. It also promotes destinations, which were previously unaffordable or otherwise hard to access for the Indian tourist inspiring people to experience the cinematic locations first hand. Film tourism refers to the impact that cinema has on the tourism related consumer decision making process. It also offers new product development opportunities based on the cinematic experience and the theming of existing tourist attractions with a cinema association (*example: Disneyland*) **Source:** (EY, 2019)

## 2. Content Analysis

### 2.1 Analysis of New Tourism Drivers determined by Researcher on the basis of Reviewed Literature

Driver	Analysis
Informed Consumers and the Social Media Web	Consumers have ready access to desired travel and tourism information resulting in increasingly informed tourism decisions. Social media plays a key role in this regard. Consumers are increasingly influenced by the thoughts and experiences shared by their friends, family, peers and contemporaries and less so by traditional promotional methods such as mass media advertising.
Experiential Value and the Sharing Economy	With increased prevalence of a "sharing economy" wherein consumers forgo owning assets in lieu of accessing them has, there has been a shift in what customers truly value. Consumer priorities have evolved from owning material assets to having rich experiences including travel and tourism.
Film Tourism and Development of Tourism Infrastructure	Mass communication media such as cinema and television play an influential role in increasing consumer awareness and interest regarding travel destinations and tours available. This coupled with rapid development of tourism infrastructure has enabled Indian travellers to engage in tourism activities more readily and at lesser cost.
Mobile Technology and Internet Penetration	The pervasive nature of smartphones and rising affordability and accessibility regarding internet connectivity has resulted in global interconnectedness and enabled society to be connected on a personal level as against a purely institutional level beyond geographic and ethnographic limitations. This has led to substantial reduction of knowledge distance between travel and tourism organizations, and their potential and actual consumers.

### 3. Conclusion and Recommendations

The researcher finds that recent developments in technological and socio-cultural environments has led to the evolution of new tourism which differs from traditional tourism in many ways. Technological factors such as increasing usage of internet communications, social media web, and increasing smartphone accessibility coupled with globalization drivers such as film tourism, developing travel infrastructure and increased cross-cultural connectivity, as well as prioritization of experiential value have led to consumers being more aware of tourism opportunities and proactive with their travel plans. Organizations belonging to the tourism industry as well as peripheral organizations and industries thus require a different operations and marketing paradigm as before so as to leverage the new dimensions associated with the concept of “new” tourism.

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