

TOURISM DEVELOPMENT TRENDS IN EUROPEAN CONTEXT

Irena Kirilova Emilova¹,

e-mail: iemilova@nbu.bg

Abstract

Europe is the region that is both the most generating and receiving tourists, ie. it is the largest outbound and inbound tourism market in the world. On the one hand, Europe is the most desirable region to visit, and on the other hand, Europeans travel the most around the world. We cannot ignore the fact that in the last four years the tourist market has changed extremely dynamically and substantially, and this change was not predicted. There are currently several trends that we will try to outline, affecting the development of the Bulgarian tourist market as part of the European economic union. tourists travel more and more frequently, for shorter distances, and to distant, exotic destinations, have a clear interest in lesser-known tourist spots and undeveloped destinations, have high demands and attitudes towards food during travel, strive for recreation in all its forms and especially for the authenticity of the experiences that are the engine of modern international tourism. The connections and dependencies will be analysed and accordingly, the development trends of tourism and the experience economy through the prism of the added value of tourist trips will be deduced.

Key words: International Tourism, Tourism Industry, Experience Economy, Trends

JEL classification: L83

Introduction

Tourism activities related to experiences are extremely diverse, as the conditions of production are dynamically changing. Production is highly strategic, products are customer-centric and generate value-added experiences from consumption. At the core of experiences that offer memorable moments to tourists is innovation, which we see as a systematized activity characterized by a certain organization. In this way, new economic activities are also created. In this sense, we will outline the trends in the economy of experiences, during tourist trips and we will present various theoretical statements and models derived based on real empirical cases, on the example of the European region.

¹ Associated Professor, PhD. Administration and Management Department, Tourism Section, New Bulgarian University, ORCID: 0000-0002-7422-8097

Features of the European tourist market

We will begin our analysis by highlighting the fact that Bulgaria has been a member of the European Union for more than 16 years. In the context of our accession to the common economic space, we will note that it is necessary to consider some features characteristic of the European market. Specifically, they are free travel on relatively short, close distances within the region; lack of barriers and formalities for travel on the internal European tourist market; opportunities for operating the single tourist market; consolidation of intermediaries in tourism; unified air space; access to distant, non-European tourist destinations at competitive prices; greater scale and opportunities for tourism business development.

Further, to draw attention to the official data, we will mark that within the European Union, the tourism sector in a narrower scope (traditional providers of holiday and tourism services) covers 2.3 million enterprises, mainly small and medium-sized enterprises (SMEs), which are said to provide employment to 12.3 million people. In 2018, the travel and tourism sector directly contributed to 3.9% of the EU's gross domestic product (GDP) and accounted for 5.1% of the active population (equivalent to nearly 11.9 million jobs). If close links with other economic sectors are considered, the contribution of the tourism sector becomes even greater (10.3% of GDP and 11.7% of total employment, corresponding to 27.3 million workers), (European Parliament).

In 2019, international tourism in the world reached 1.5 billion arrivals (+4%), of which 745 million, i.e., almost 50% of the market is realized precisely in Europe, according to the reports of the World Tourism Organization.

Based on the reviewed study, we will make the conclusion that Europe is the region with the largest number of simultaneously generating and receiving tourists, i.e., it is the largest outbound and inbound tourism market in the world. On the one hand, Europe is the most desirable region to visit, and on the other hand, Europeans travel the most in the world.

We must point out the fact that in the last four years (2020-2023) the tourist market has changed extremely in its nature and this change was not predicted. Tourists travel more and more often, on shorter distances or to distant, exotic destinations, they are also interested in little-known tourist places, undeveloped destinations, they show an attitude towards food and look for the recreational effect, with a great interest especially in experiences, this is to everything that becomes in the form of pleasant memories and remains in their long-lasting memory.

Experience Economy in the Hospitality Industry

This strong link of tourism supply in recent years, which is being established with the experience economy, should be emphasized. The development of the tourism industry takes place in continuous interaction with the development of the experience economy, being a great motivation for travel consumers.

In this sense, we will point out that the experience economy is developing extremely fast. According to a study by Momentum Worldwide, 76% of surveyed consumers worldwide prefer to spend their money on experiences rather than goods. This economy seeks to provide high-quality value and highly differentiated services. While it is a known fact that travel providers are the main entrepreneurs in the experience economy, the sector is rapidly opening to include brands, pubs, restaurants, and other activities that aim for better relationships with consumers, providing them with memorable moments. For an experience to be unique, it must contain the following several characteristics - an escape from everyday life; exclusivity; connecting with other people; meaningfulness; digital sharing (Momentum, We Know Experiences 2.0).

We must consider that experiences can be created by different industries besides tourism - culture, art, information technology, entertainment, etc. and often accompany the production of goods and services. According to the founders of the sweatshop in the specialized literature, Pine, and Gilmore (1999), experiences are a widely applied economic activity related to any production. Our view on this matter is that the creation of experiences has primarily a creative - artistic function. And in the context of business, when the conditions for this develop - of productivity, the use of technology, innovation, the generation of experiences, it remains invisible, and these opportunities generated by strong competition carry out the individualization of experiences and the specialization of management, innovation, and the production system.

The EU, being the largest tourist contingent in the world and at the same time possessing the greatest potential for spending on international tourism, has changed the perceptions of successful tourist packages. At the basis of the customer orientation and the systematic organization of innovation activities in the tourist offer of the companies are the new values in tourism, namely the perception of the product, built of experiences, added value and high-quality service. This also concludes the strategic thinking in the direction of increasing productivity to meet consumer expectations and in response to price competition.

In this sense, we will even insert that there is even an Experience project, worth 24.5 million euros, co-financed by the European Regional Development Fund (16.9 million euros) through the Interreg program France (Channel) England, in the period 2019-2023, which aims to attract off-season visitors through an innovative approach creating “sustainable experiential tourism” covering six regions in England and France: Norfolk, Kent, Cornwall, Pas-de-Calais, Compiègne and Brittany (Experiential tourism to extend the visitor season, <https://www.tourismexperience.org/>).

We must also pay attention to the fact that tourists are losing interest in mass package travel as they are looking for individual, unique, and authentic experiences that they can share with family and friends. Authentic experiences are original,

memorable, with active participation and respect for local people and nature (Good Tourism Institute, <https://goodtourismstitute.com/library/experience-economy/>).

A successfully designed experience has the following characteristics - evokes pleasure, positive emotions, or sensations; provides an opportunity to acquire new knowledge and skills; promotes beneficial interactions with other people.

Good experiences also stimulate the five senses, and to become memorable, they need to contain an emphasis on engaging several of them – sight, hearing, touch, smell and taste. For example, the sounds of birds or the music of local musicians, the aroma of herbs or plants, the tasting of local dishes.

We should note here that the main task of tour operators is to engage customers in their experiences. The latter are what also define user satisfaction, a good experience means that it meets or exceeds expectations during the journey.

In this sense, it is important to develop and offer travel experiences that tourists cannot organize themselves and to create that added value that only the tour operator can provide them - value that is acquired through the knowledge of local life, the destination and entertainment options. Examples of unique travel experiences are – cooking class, safari, farm visit, sunset picnic, treasure hunt, festival participation. All this is of utmost importance, as there is a direct link between tourists' experiences and their overall satisfaction with the trip.

Examples of some of the most interesting adventure experiences in Europe are a five-day trip along the Balkan peaks - from Montenegro to Albania and Kosovo; kayak along Norway's deepest fjord, Sognefjord; husky safari and Northern Lights viewing in Äkäslompolo, Lapland; Vespa trip in Tuscany or Amalfi; Iceland campervan tour and many more.

The results of some empirical studies show that in the economy of experiences, aesthetics takes a prior role, i.e., before knowledge, entertainment and escape from everyday life (Lai et al., 2020; Tom Dieck et al. 2018; Hosany, Witham, 2010; Mykletun, Rumba, 2014; Oh et al., 2007). The remaining three components of the experience - education, entertainment, and escape, however, have a proven positive effect on tourists' memory (Oh et al., 2007; Kastenholz et al., 2018; Tom Dick, 2018). Moreover, as the results of the reviewed study show, the aesthetic experience also indirectly affects memory through education, entertainment and escape, i.e., the three elements listed contribute to improving the aesthetic experience of tourists and the formation of long-lasting memories (Ch. Yong, Na J., Ma T., Y. Tang).

In the context of establishing the relationship between the motivation to undertake a tourist trip and experiences in the visited destination, the results of the study showed that tourist consumers define the most important role of entertainment as identifying with their last sensations during the trip (Emilova I., co -auth. 2022). Based on the statement that the experience economy is currently a major trend, here we will try to outline the main development trends.

According to some researchers, the trends illustrate the eventual changes that are occurring in the experience economy, and they are strongly focused on consumers (Penn and Fineman, 2018).

Development trends

According to various studies, tourists want to feel a variety of experiences or adventures during their vacations, and through their activities they seek inner enrichment, self-improvement, and pleasure (Bourdieu, 2000), because authentic sensations provide opportunities to acquire various knowledge and skills, in the direction of increasing social and cultural capital, experiencing internal transformation. Tourists' desire to collect "stories" underlies consumer choice, as there is a clearly defined search for new experiences, building pleasant memories with different, often unfamiliar people, as well as diverse leisure opportunities (Yeoman, McMahon-Beattie, 2019).

We must note that tourist experiences cannot be quantified nor evaluated, we can only analyze their authenticity and uniqueness (Foresight Factory, 2019). In this sense, we will note that the strong driving motivation for travel is precisely the desire of consumers to store unique experiences.

The trend in question is formed because of the increased consumer interest in different experiences generated in rarely visited places, because the access to unknown history is exceptional and therefore much more valuable as a feeling. The growing preference for the individualization of tourist service during travel and, accordingly, the offer of tours according to the client's order, creates prerequisites for the enjoyment of unique experiences. A large part of tourists' vacations, which are behind the conscious consumer choice with a preponderance of experiences, focus on the so-called social virtual detox (vacation without internet, with limited use of technology) to immerse themselves in the given environment. The pursuit of meaningful human interactions and a sense of belonging in a technology-dominated world led to travel that generates authentic, intense, immersive experiences.

In this sense, we will pay attention to the trend of searching for authenticity and avoiding visits to popular tourist destinations. Tourism consumers still hold onto the convenience and reliability metrics provided by mainstream products, while also seeking alternatives to contemporary culture, food, and leisure experiences (Yeoman et al., 2019). Tourists are directed to the consumption of tourist products and services by striving for uniqueness of sensations (Foresight Factory, 2019). Authentic tourists are looking for genuine and original experiences. Tourists, with a pronounced search for authenticity during travel, consume products and experiences that are strongly connected to the place, time, or culture - they are produced in a traditional way, but in their essence are original (unique), containing a real story. It is this authenticity that consumers perceive as added value from the trip. In tourism, consumers seeking authenticity get it through experiences, with a strong emphasis on entertainment that makes them feel more meaningful, discover

themselves and distance themselves from mass tourism products. In this way, a feeling of being individual and special is created for the user, which completely matches his desire and at the same time competes with his friends, colleagues, followers in social networks. In this regard, seeking and finding the authentic can increase one's social capital. According to other researchers, modern tourists want to touch unfamiliar cultures and try new foods and enjoyable leisure activities that are specific to the given region (Laing, Frost (2015).

We cannot ignore the tendency to escape from reality. Tourist consumers are constantly looking for reasons to disrupt their routines and indulge in unplanned celebration (Yeoman and McMahon-Beattie, 2019). Tourist companies not only offer opportunities for entertainment to tourists, but also create new ones. They are becoming more inventive in offering ways for consumers to celebrate. The dynamics resulting from the multicultural influence as well as the globalized calendar of events provide more options to experience something special during a tourist trip.

Next, we will focus on the tendency to increase free time, as tourist users perceive it as an opportunity to escape from reality and thus - a source of pleasure. A large part of tourists strives to achieve self-improvement precisely during their free time, i.e. they want to participate in activities that provide them with more than just entertainment (Yeoman, 2019). We must recognize the fact that leisure represents an important and consumer-valued release from the daily stresses and strains of modern life; in this sense, the search for entertainment and pleasant experiences turns out to be more of a part of passive recreation during travel. And for all this to exist, it is necessary to maintain a constant innovation process on the part of the suppliers of the leisure industry and to continuously generate new experiences through which tourists are engaged, excited and entertained, building on their previous experiences.

The trend of repeatedly practicing tourist trips is also worthy of attention, precisely because of the consumer's desire for pleasant and unique experiences. This, of course, is also related to the recreation inherent in tourism, the long-term effect of which is expressed in a certain personal transformation. And in this sense, once he starts to travel, the tourist user cannot stop moving freely around the world, because of the delight and pleasure he feels, at the same time he achieves mental and physical relaxation and rebalancing. Examples of this could be climbing Machu Picchu, attending a sporting event in Barcelona, observing a solar eclipse in Norway or a family weekend at Disneyland.

Next, we will pay attention to the luxury travel experience trend. In this sense, we must specify that the definition of luxury has also changed, as it encompasses forms of pleasure that have an experiential nature and thus enhance the value of both authentic experiences and everyday moments (Yeoman, McMahon-Beattie, 2019). Currently, many tourists feel that they have a right to luxury in some form, although there are several financial and economic crises around the world (2000,

2010, 2020) that actually suppress the growth of consumer welfare, in fact the sense of entitlement to luxury travel is increasing (Foresight Factory, 2019; Seo, Buchanan-Oliver, 2015;). As access to luxury becomes more mainstream, however, its definition is being fleshed out to contain increasingly precise nuances alongside the traditional definition (Lee et al., 2015; Hennigs et al., 2015). In addition to this, we will point out that the concept of luxury offers an unconscious appeal that enriches tourists emotionally and culturally and builds in them an understanding of the “intangible value of goods and services, along with the price” of the luxury tourist product (Velinov, 2020; 2021). Although the meaning of luxury for many tourism consumers is too tied to the classical understanding of expensive, individual, unique, non-mass travel, we will emphasize that the intensity of the experience is becoming increasingly important for tourist satisfaction. The same applies to any form of satisfaction that allows consumers to fulfill their deeper inner ambitions and dreams, as well as to confirm their social success or *savoir-vivre* during the tourist journey. At the heart of the trend towards the pursuit of luxury experiences by tourists is the idea that leisure activities contribute to the creation of new skills, cultural enrichment, the formation of a different consciousness or even personal character (Foresight Factory, 2019). We can unequivocally state that first-class pleasurable experiences have a lasting impact on a person’s personal perspective and transformation, thus also viewing them as an investment in their personal development.

Conclusion

The conclusions we can draw from the exposition above are several. The driving motivation for travel is precisely the desire to increase tourists’ free time, which is perceived as an opportunity to escape from reality and, accordingly, a source of pleasure, to collect new experiences. The search for authenticity and not visiting popular tourist destinations is also a trend of industry development in recent years. In addition, the possibilities for individualizing the service during travel, as well as the so-called tailor-made trips create opportunities to enjoy unique experiences, which inevitably leads to multiple consumption. Also, travel luxury is the unconscious appeal that enriches tourists emotionally, building in them a perception of the intangible value of the expensive services consumed. And finally, the intensity of the experience stands out, which gives essential importance to obtaining satisfaction from tourist consumption, representing a guarantee for a subsequent trip and building brand loyalty.

References:

1. Велинов, И., (2021), *Култура и мениджмънт на ресурсите при търговията с луксозни стоки*, Сборник с доклади, Свищов: АИ „Ценов“, с. 159-167, ISBN 978-954-23-2005-0.

2. Велинов, И., (2020), Ролята на културната икономика за развитието на българския винен туризъм, годишник на департамент „Природни науки“, София, Нов български университет, с. 59-66, ISSN 2367-6302.
3. Европейски парламент, Туризъм, <https://www.europarl.europa.eu/factsheets/bg/sheet/126/tourism>
4. Bourdieu, P. (2000), *Distinction: A Social Critique of the Judgement of Taste*, Harvard University Press, Cambridge, MA.
5. Chai Y., J. Na, T. Ma, T. Ying. (2022), „The moderating role of authenticity between experience economy and memory?“, *Frontiers in Psychology*, Vol. 13, November 2022, doi.org/10.3389/fpsyg.2022.1070690
6. Dieck T., M. C., Jung, T. H., and Rauschnabel, P. A. (2018). Determining visitor engagement through augmented reality at science festivals: an experience economy perspective. *Comput. Hum. Behav.* 82, 44–53. doi: 10.1016/j.chb.2017.12.043
7. Good Tourism Institute, <https://goodtourisminstitute.com/library/experience-economy/>.
8. Emilova I., Savova A. (2022). Digital Models Related to the New Tourist Priorities and Needs. Article. *International Scientific-practical journal ENDLESS LIGHT in SCIENCE*. Kazakhstan, p. 128-134, doi: 10.24412/2709-1201-2022-128-134
9. Experiential tourism to extend the visitor season, <https://www.tourismexperience.org/>).
10. Foresight Factory (2019), “Luxury experiences”, available at: www.foresightfactory.co (accessed 29 September 2023).
11. Hennigs, N., Wiedman, K.-P., Klarmann, C. and Behrens, S. (2015), “The complexity of value in the luxury industry: from consumers’ individual value perception to luxury consumption”, *International Journal of Retail & Distribution Management*, Vol. 43 Nos 10/11, pp. 922-39, doi: 10.1108/IJRDM-07-2014-0087.
12. Hosany, S., and Witham, M. (2010). Dimensions of cruisers’ experiences, satisfaction, and intention to recommend. *J. Travel Res.* 49, 351–364. doi: 10.1177/0047287509346859
13. Kastenholz, E., Carneiro, M. J., Marques, C. P., and Loureiro, S. M. C. (2018). The dimensions of rural tourism experience: impacts on arousal, memory, and satisfaction. *J. Travel Tour. Mark.* 35, 189–201. doi: 10.1080/10548408.2017.1350617
14. Lai, I. K. W., Lu, D., and Liu, Y. (2020). Experience economy in ethnic cuisine: a case of Chengdu cuisine. *Br. Food J.* 122, 1801–1817. doi: 10.1108/BFJ-08-2018-0517
15. Laing, J. and Frost, W. (2015), “The new food explorer: beyond the experience economy”, in Yeoman, I., McMahon-Beattie, U., Fields, K., Albrecht, J. and Meetham, K. (Eds), *The Future of Food Tourism: Foodies*,

Experiences, Exclusivity, Visions and Political Capital, Channel View Publications, Bristol, pp. 177-93.

16. Lee, M., Ko, E., Lee, S. and Kim, K. (2015), "Understanding luxury disposition", *Psychology & Marketing*, Vol. 32 No. 4, pp. 467-80, doi: 10.1002/mar.20792.
17. Momentum, *We Know Experiences 2.0*, <https://www.momentumww.com.mx/wp-content/uploads/2020/07/Momentum-WeKnowExperiences.pdf>
18. Mykletun, R. J., and Rumba, M. (2014). Athletes' experiences, enjoyment, satisfaction, and memories from the extreme sport week in Voss, Norway. *Sport Bus. Manag.* 4, 317–335. doi: 10.1108/SBM-12-2013-0046
19. Oh, H., Fiore, A. M., and Jeung, M. (2007). Measuring experience economy concepts: tourism applications. *J. Travel Res.* 46, 119–132. doi: 10.1177/0047287507304039
20. Penn, M. and Fineman, M. (2018), *Microtrends Squared: The New Small Forces Driving Today's Big Disruptions*, Simon & Schuster, New York, NY.
21. Pine, B.J. and Gilmore, J.H. (2011), *The Experience Economy* (Updated ed.), Harvard Business Review Press, Boston, MA.
22. Seo, Y. and Buchanan-Oliver, M. (2015), "Luxury branding: the industry, trends, and future conceptualisations", *Asia Pacific Journal of Marketing and Logistics*, Vol. 27 No. 1, pp. 82-98, doi: 10.1108/APJML-10-2014-0148.
23. Yeoman I., U. Beattie (2019). *The Experience Economy: Micro Trends*. *Journal of Tourism Futures*, ISSN: 2055-5911.