

## Current and Future Trends in Tourism and Hospitality. The Case of Greece

by

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*Abstract.* This paper identifies some of the current and future trends affecting the tourism and hospitality industry, including globalisation, guests' safety and security, the importance of offering outstanding services, the new technologies that enhance competitiveness, the population ageing that impacts directly on tourist demand and the correlation between price and value. Reference is also made to the trends in the development of tourism lodgings. Furthermore, the paper attempts to analyse the Greek tourism performance indicators for the last 10 years and suggest ways out of the recession for the tourism entrepreneurs. The suggestions to the hoteliers include careful analysis of the current and future trends and application of the proper adaptations, investing in exceptional services and sustainability of their lodging, as well as utilizing the new technologies and the social networks. Moreover, the hotel owners should consider the retirees as their potential guests and, finally, they must seek ways to retain effective, diverse and competent staff.

*Key words:* employment, Greece, services, tourism and hospitality, trends.

JEL classification: J210, L800, L830

### 1 Introduction

Hospitality means providing service to others, as well as demonstrating consistent excellence and quality. It should also mean profitably providing value at any price level, while demonstrating your own unique points of distinction. Most of all, hospitality should be a “place”, where people can still be exceptional individuals and they can extend their own personality and style (Hogan, 2008).

The hospitality industry is part of a huge group of companies known as travel and tourism industry, which provides the necessary or desirable goods and services to travellers. The hospitality and tourism industries are the largest and fastest-growing industries in the world (Walker, 2010).

The travel and tourism industry is composed of five parts: a) the tourism lodgings (hotels, motels, camps, cruise ships), b) the transportation services (ships, airplanes, trains), c) food and beverage operations (restaurants, bars, taverns, catering), d) retail stores (gifts, souvenir, arts/crafts shops) and e) the activities (recreation, educational trips, business, festivals, sport events), (Kasavana and Brooks, 2007).

The hospitality industry includes the tourism lodgings, the catering companies, as well as the food and beverage departments operating within the lodgings. Tourism lodgings stand out among other travel and tourism companies because they offer their guests overnight accommodation, food and drinks, recreational activities and more.

The characteristics of the hospitality industry are:

- It is a truly unique and fun workplace and diverse in the scope of responsibilities that one can attain.
- It is an industry with many career options and a source for a respectful income.
- Its outstanding dimension is the orientation towards guest satisfaction at ultimate level.
- It offers intangible and perishable products (if for example 25 rooms are not sold on a specific night, their revenues will be lost for ever).
- The hospitality businesses make continuous efforts for maintaining a positive image along with great guest service. It appears that quality service is the basis to industry success. Thus, those organizations that focus on quality become the leaders for on-going guest satisfaction, creating loyalty and influencing

future behavioural intentions (Jonsson and Devonish, 2009).

The new philosophy in hospitality is that managers are counselling their associates, give them resources and help them to think for themselves. “Do whatever it takes” is critical for success.

For success in service the hospitality operations, among others, should focus on the guest, emphasize high-touch instead of just high-tech and encourage changes, as well as innovations (Walker, 2010).

## 2 Current trends in hospitality and tourism

**✚ Globalization.** Nowadays, people more than ever travel freely around the world. The international tourist arrivals from 674 million in 2000, reached the 797 in 2005 (increased by 18.25%) and the 940 million in 2010 (increase 39.46% in relation to 2000 and increase 17.94 in relation to 2005). Respectively, the international tourism receipts (global tourism expenditure) from 475 billion US dollars in 2000, reached the 679 billion in 2005 (increased by 42.94%) and the 918 billion in 2010 (increased by 93.26% in relation to 2000).

**✚ Safety and security.** The industry’s concern with security has increased greatly due to several terrorist attacks worldwide, as well as because of tourists’ kidnappings, robberies and assaults. Security of all types of hospitality and tourism operations is critical and disaster plans should be made for each kind of threat. Personal safety of guests must be the first priority (Walker, 2010). Increased security measures exist in all the international airports and most airline companies have upgraded their security measures by investing millions of dollars. Moreover, they make plans in order to exceed the requirements of the airline industry through technology advancements (Hall et al, 2003).

A property’s security program should include certain actions and procedures to prevent or discourage incidents (Ellis and Stipanuk, 1999).

**✚ Diversity.** The tourism and hospitality industry is among the most diverse of all industries in terms of employee population and groups of guests.

Hospitality and tourism present a unique opportunity to understand new cultural experiences for both employees and the tourists. It is important for the personnel to understand and appreciate different cultures in order to enhance the nature of their

interactions with tourists of different cultures, religions, races, colours, ages, genders and sexual orientations. It is for this reason that businesses plying their trade in this industry must endeavour to train their personnel to appreciate and accommodate people from diverse backgrounds around the world. As such, diversity not only facilitates easy understanding of different cultural, social and economic perspectives but enhances the delivery of satisfactory services as well, through communication and observation (Merchant, 2011).

The table 1 shows the employment over the years 2000-2010 in the global travel and tourism industry.

Table 1. Travel and tourism employment 2000-2010

Year	Travel & Tourism Direct Industry Employment (000)	Travel & Tourism Economy Employment (Direct + Indirect) (000)
2000	344,3	777,6
2001	338,6	785,4
2002	338,6	783,7
2003	329,4	769,2
2004	329,1	783,4
2005	357,6	837,7
2006	367,5	866,6
2007	366,2	867,6
2008	351,3	817,1
2009	318,0	741,5
2010	322,0	746,2

Source: Association of Greek Tourism Enterprises

The above statistics show that in 2010 almost 7.5 million people were employed in the travel and tourism industry and 3.22 million were linked directly with the industry. Both Europe and the U.S.A. receive annually large numbers of international hospitality employees, the former mainly from the Eastern Neighbouring Countries and the latter mostly from Latin America. These data confirm just how diverse the workforce composition in the industry has become.

Diversity in the hospitality and tourism industry is enhanced through visions that promote equal employment opportunities to cater for the different nationalities in the market. The industry gets to appreciate the world's socio-cultural and economic differences through the recruitment of people of diverse backgrounds. As such, businesses in this industry need to establish organizational policies that not only

discourage discrimination but also encourage intercultural activities such as cultural educational programs and forums. Businesses also should employ organizational structure that comprise of people from different regions and races and spread key appointments to qualified staff from across the board (Merchant, 2011).

❖ **Service.** As global competition and market consumption change the expanding service sector, quality plays an increasingly essential role in both attracting and retaining service customers (Helms and Mayo, 2008).

Service quality and the degree of satisfaction derived from service quality are becoming the most important differentiating factors in almost every hospitality environment (O'Neill and Palmer, 2004). For the hotel industry, the increasing competition and expansion of unique services and convenience has forced hoteliers to continuously search for the competitive advantage (O'Neill, 2005).

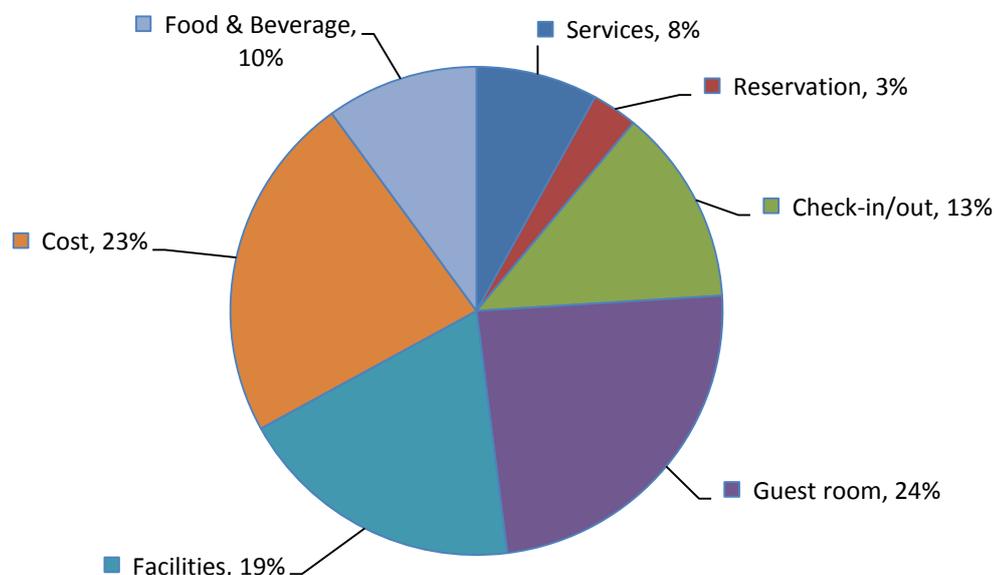
Service is at the top of guests' expectations, yet few companies offer exceptional service. World-class service does not just happen; training is important in delivering the service that guests have come to expect (Walker, 2010).

Hotels are increasing their investments to improve service quality and the perceived value for guests, so as to achieve better customer satisfaction and loyalty, thus resulting in better relationships with each customer (Jones et al., 2009). Relationship quality has a remarkable positive effect on hotel guests' behaviour: it creates positive word of mouth

(WOM) and increments repeated guest rates (Kim et al., 2001).

The Cornell Hospitality Industry Perspectives published a report titled "Making Customer Satisfaction Pay: Connecting Survey Data to Financial Outcomes in the Hotel Industry" by Pingitore et al, (2010). In this report it is demonstrated that customer satisfaction has clear linkages to actual financial outcomes. All hoteliers know that in order to survive they need to attract and retain guests. However, hoteliers also need to know specifically what it takes to satisfy their guests. The study found, for instance, that guests who experienced outstanding service were likely to spend more on ancillary items (e.g., restaurant, room service, day spa, recreation facilities) in subsequent hotel stays. Getting things right is important. Four key performance indicators particularly affected guests' evaluations: reservation was accurate, check-in was completed within five minutes, no problems were experienced during the stay, and no billing errors occurred. Guests who experienced all four of these performance indicators were most likely to grant the hotel a top satisfaction rating.

As seen in figure 1, satisfaction scores are composed of seven key factors, with the Guest Room (24%) and Costs & Fees (23%) constituting almost 50% of the importance weight. The Hotel Facilities factor (19%) represents almost one-fifth of the importance weight, while the Check-In and Check-Out, Food & Beverage, Services, and Reservation factors constitute the remaining one-third of importance.



Source: Cornell Hospitality Industry Perspectives  
Figure 1. Factors driving satisfaction scores

The results of the analyses show clear linkages between measures of customer satisfaction and actual financial outcomes.

Further, these measures can be used to identify specific areas for improvement, leading to additional opportunities for increased revenue.

**Technology.** Technology is a driving force of change that presents opportunities for greater efficiencies and integration for improved guest services.

Technology has become a tourism business activity in development of strategic resources and is considered as a tool to increase competitiveness. Effective use of information technology can make significant operational improvements. Advanced software and communication tools allow enlarging operational efficiency, for example, orders may be made better, faster and cheaper.

In addition, decision-making through decision support tools, databases and modelling tools assist the manager's job. Thanks to expert systems, sophisticated expertise can be met by any manager (Romanovs, 2000).

Technology changes the tourism business rules. More specifically:

- Information on all tourist services is available virtually from all over the world.
- Potential client can be any resident of the world.
- More territorial boundaries restrict the number of customers.
- Decision making turns into a tourism specialist in each component.
- Changes in customer service technology and service personalization occur.
- Marketing opportunities are expanding.

Technology on wireless communication systems enabling voice, text and data communication among employees, managers, departments and guests is now being adapted by hotels. Comprised of intelligent system software and lightweight, hands-free or handheld communication devices, these systems allow hotel staff to deliver the best customer service. Examples of wireless communication solutions for the hospitality industry include: communication badges, food and drinks ordering systems, as well as devices that allow hotel agents to check-in and check-out guests, process credit cards, print receipts and program room keys anywhere in or nearby the hotel.

Wireless technology offers, among others, the following benefits for hotels and the quality of service they can provide to the guest:

- Increases staff productivity and reduces response time to satisfy guest requests.
- Improves overall guest satisfaction and service.
- Increases efficiency for restaurants (bars, cafeterias, etc.) and caterers by saving time, reducing human errors and by providing higher quality customer service.
- Reduces queues at the reception desk and allows guests to check-in and check-out closer to where their room is.

**Demographic changes.** The global population is gradually increasing and many retirees have the time and money to travel and utilize hospitality services.

According to the United Nations, population ageing is increasingly becoming one of the most salient social, economic and demographic phenomena of our times.

By 2030 the EU can expect 14% fewer workers and 7% fewer consumers as 2005. By 2050, the number of people over 60 in Europe will reach 40% of the total population or 60% of the working age population (Willms, 2007).

Adapted from "The impact of demographic change on tourism and conclusions for tourism policy" (Grimm et al, 2009), the key data on demographic change up to 2020 are included in the table 2.

It is evident that demographic change affects at least five of the six features examined. The population volume decreases, migration (internal and international) increases, and age, gender, educational and household structures have all changed in recent years and will continue to change up to 2020.

Demographic change can affect different aspects of tourism. It impacts directly on tourist demand (volume and structure) and the tourism labour market (number of workers and their qualifications) and has an indirect effect on jobs within the tourism industry and tourism services (type and quality of sector-specific and enhancing infrastructure).

Overall, the expected impact of demographic change on demand for holidays can be summarized as follows:

- ❖ Slight increase in demand.
- ❖ Shift in the structure of demand, with the importance of senior citizens for tourism rising more rapidly than their share of the population.
- ❖ A slight decrease in holidays with children.

Table 2. Key data on demographic change up to 2020

Demographic developments	
Feature	Top 10 source markets <sup>i</sup>
<b>Population development (volume)</b>	Overall: rise (particularly sharp in the emerging markets), decrease in Japan and Italy
<b>Migration of the population</b>	Net balance of migration in the top 10 countries positive, in the emerging markets <sup>ii</sup> negative
<b>Age structure</b>	More older people (esp. in the top 10 countries and particularly in Japan)
<b>Gender</b>	Top 10 countries: slightly higher number of women (will decline somewhat in future). Emerging markets: opposite trend
<b>Educational structure</b>	Increase in formal education (except in Italy, Austria & Japan)
<b>Household structure</b>	Overall, households will shrink
<b>Household income</b>	To date: rise, in future: no data available

Source: *The impact of demographic change on tourism and conclusions for tourism policy* (Grimm et al, 2009)

❖ Shifts in travel behaviour, resulting in particular from journeys made by people in the age group of 60 to 79 years, include:

- a. A higher proportion of journeys abroad and fewer journeys within their country.
- b. More air travel and car journeys, less travel by coach and rail.
- c. Lower seasonality (fewer summer holidays).
- d. Greater significance attributed to culture, nature and health, with a decline in beach and relaxing holidays at the same time.

✚ **Price-value.** Price and value are significant factors to the more perceptive guests of today. Customers and their perceptions about price have changed. Guests are resistant to paying more (instead, they prefer to get more for less) and tourism enterprises should take measures in order to solve this problem.

The key word today is "value." Value is what you get compared to what you pay. But how could a hotelier increase value without lowering prices?

Here are the top five elements that create value *during* a hotel stay:

1. Guestroom design (size, comfort, room equipment, kitchenette, entertainment, heating / ventilation / air conditioning, cleanliness).
2. Physical property - exterior, public space (cleanliness, landscaping, size, architecture).

3. Interpersonal service (service friendliness, attentiveness, professionalism, personal recognition).

4. Functional service (service speed, efficiency, check-in and check-out efficiency).

5. Food and beverage related services (sanitation, quality, atmosphere, room service, variety, good prices).

Hotels have more flexibility with the services nr. 3, 4 and 5. Exceptional service is rare and highly valued by guests. But nr. 5 is the surprise. Food and beverage is frequently what guests remember about a hotel experience. It's often the social side, the fun side of their stay. Thus, hoteliers should leverage their hotel's food and beverage, its sanitary environment and quality, as well as its excitement. Moreover, hotel managers should communicate it, blog about it and advertise it, because the food and beverage division can play an important role in creating value for guests (Barsky, 2011).

### 3 Trends in the development of tourism lodgings

In the past few years there is a certain trend towards developing green lodgings and an

increasing number of hotels worldwide apply policies friendly to the environment. This is due to the fact that green hotels not only do save money for the owners but they save natural resources as well, by enhancing the biodiversity, while at the same time they promote environmental conscience to the guests. Another reason for the development of green hotels is the fact that there are tourists who are “environmentally sensitized” and even when they travel, they wish to apply resource saving practices in their everyday life.

Organisations that certify the environmental policies of various enterprises, have conducted researches realising that on average a hotel of 150 rooms consumes in one week, the amount of energy consumed roughly by 1.000 households in one year. The basic reason is that people in their residences are aware of the water and energy cost, but in the hotels the increased consumption does not influence the rate to be paid by the guests. The possibility of increased consumption is interwoven with the offered services and luxury. However, is there a possibility for the guests to enjoy the luxury of a hotel without, simultaneously, the environment to be destroyed? There are some technologies, e.g. of water saving that decrease the operating costs. Researches have shown that the hotels using modern technologies to save water, consume the one fifth of water per guest in relation to hotels that do not use them.

Most importantly, the guests do not observe any difference in the levels of comfort and luxury. These saving techniques contribute both in the reduction of water, as well as in the reduction of energy for the heating of water.

On average, America’s 47.000 hotels spend \$2.196 per available room each year on energy. This represents about 6% of all operating costs. Through a strategic approach to energy efficiency, a 10% reduction in energy consumption would have the same financial effect as increasing the average daily room rate by \$1,35 in full-service hotels or else it would save \$285 million in total.

Energy efficiency provides hotel owners and operators cost savings that benefit the bottom line. Efficiency also improves the service of capital equipment, enhances guest comfort and demonstrates a commitment to climate stewardship (<http://www.energystar.gov/>).

Green hotels prove daily that the environmental and economic objectives can be achieved at the same time.

In August 2011 the Cornell Hospitality Quarterly published a survey under the title: Hotel Guests’ Preferences for Green Guest Room Attributes. The primary purpose of this study was to identify the attributes that guests would prefer in a green hotel room. The analysis revealed that: guests found a *green certification* as most influential among these attributes, they appreciated a recycling policy with a lobby recycling centre, and they would be favourable to amenity dispensers instead of small bottles. A longer-term finding (due to the expense of a retrofit) is that guests would be happy with key cards to control the room electricity, instead of motion detectors. The respondents also supported the more commonly featured towel and linen reuse policies and energy efficient lighting.

These results contribute to the practical advancement of the hotel industry by indicating the green attributes that may be most desirable to guests. This information can help hotel managers and operators set up their green hotel room accordingly and also begin to gather information on the cost of creating a room that is made up of those preferred attributes.

## 4 Future trends of tourism and hospitality

### 4.1. Future trends of tourism

According to the European Tourism: Trends & Prospects (Q2/2011), the global visitor growth forecasts for 2012 and 2013 are as follows (table 3):

Table 3. Short-term global visitor growth forecasts

	INBOUND		OUTBOUND	
	2012	2013	2012	2013
<b>WORLD</b>	4.8%	3.9%	5.1%	4.1%
<b>AMERICAS</b>	4.9%	4.3%	5.2%	4.2%
<b>EUROPE</b>	3.9%	3.3%	4.2%	3.9%
<b>ASIA</b>	6.9%	4.7%	7.0%	4.2%
<b>AFRICA</b>	5.1%	4.1%	5.6%	4.8%
<b>MID EAST</b>	4.9%	4.1%	4.8%	4.1%

Source: *European Tourism: Trends & Prospects (Q2/2011)*

The above data show that for 2012 Asia is ranked first among all the other continents concerning the outbound travels (7%). This is mainly owed to the emerging market of China. For 2013 Africa holds the sceptre with 4.8% growth. For both years Europe has the lowest

growth regarding the inbound, as well as the outbound travels.

From “The Future Trends in Tourism - Global Perspectives” (Willms, 2007), the following adapted forecasts and figures (tables 4, 5 and 6) show great interest:

Table 4. Countries expected to grow their travel and tourism demand most rapidly up to 2017

<b>ON A RELATIVE SCALE</b>	
<b>Countries expected to grow their Travel and Tourism Demand most rapidly up to 2017 (% Annualized Real Growth) are:</b>	
1. China	9.1
2. Montenegro	8.6
3. India	7.9
4. Croatia	7.8
5. Dem. Republic of Congo	7.8
6. Vietnam	7.5
7. Romania	7.4
8. Namibia	7.1
9. Hong Kong	7.0
10. Chad	7.0

Table 5. Countries expected to generate the largest volume of travel and tourism demand in 2017

<b>ON AN ABSOLUTE SCALE</b>	
<b>Countries expected to generate the largest volume of Travel and Tourism Demand in 2017 (US \$ mn):</b>	
1. United States	3,067,977
2. China	1,571,015
3. Japan	981,437
4. Germany	744,910
5. United Kingdom	605,124
6. France	542,658
7. Spain	503,957
8. Italy	395,970
9. Russian Federation	324,352
10. Canada	311,412

Table 6. Countries expected to generate the largest amount of travel &amp; tourism economy employment in 2017

<b>ON AN EMPLOYMENT SCALE</b>	
<b>Countries expected to generate the largest amount of Travel and Tourism Economy Employment in 2017 (000 of Jobs):</b>	
1. China	75,710
2. India	28,322
3. United States	16,125
4. Japan	9,422
5. Brazil	7,773
6. Indonesia	6,853
7. Mexico	5,469
8. Germany	4,962
9. Spain	4,858
10. Thailand	4,766

Source (tables 4, 5 and 6): *The Future Trends in Tourism - Global Perspectives (Willms, 2007)*

The United Nations World Tourism Organization's (UNWTO) *Tourism 2020 Vision* forecasts that international arrivals are expected to reach nearly 1.6 billion by the year 2020. Of these worldwide arrivals in 2020, 1.2 billion will be intraregional and 378 million will be long-haul travellers.

The top three receiving regions of the total tourist arrivals by 2020, will be Europe (717 million tourists), East Asia & the Pacific (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia (<http://www.unwto.org/>).

#### 4.2. Future trends of hospitality

The future trends in the hospitality industry can be summarized as follows:

- More green and eco-lodgings.
- Development of mega hotels (multi-purpose facilities with casino, shops, theatre, theme park, etc.).
- More boutique hotels.
- Intelligent hotels with advanced technology using the guest's virtual fingerprint in order to perform all the operations (check-in, charges, check-out, etc.).
- Increasing employee salaries in order to retain the existing staff.

- More emphasis on the internet and technology.
- Guests' virtual and physical social networks will be the best distribution channels.

#### 5 Trends in the Greek tourism and hospitality industry

##### 5.1. Basic figures and performance indicators of Greek tourism

The basic figures of the Greek tourism for 2010 are the following:

- Contribution to GDP: 15,3%
- Contribution to employment: 17,9%
- Employment (direct and indirect): 746.200
- International tourism receipts: 9,6 bi. €
- International tourist arrivals: 15 mi.
- Average per capita tourism expenditure: 640 €
- Market share: 1,60% World, 3,15% European
- Hotel capacity: 9.732 hotels, 763.407 beds
- Top 5 markets: Germany, United Kingdom, FYROM, France and Italy
- Position in the world ranking: rank in arrivals 17, rank in receipts 21.

The tables 7 and 8 are comparison tables of the basic figures and performance indicators of the Greek tourism for the years 2000, 2005 and 2010.

Table 7. Basic figures of Greek tourism for the years 2000, 2005 &amp; 2010

Basic Figures	YEAR		
	2000	2005	2010
Contribution to GDP	16,4%	17,3%	15,3%
Contribution to Employment	19,7%	20,2%	17,9%
Employment (direct & indirect)	777.600	837.700	746.200
Hotel Capacity (hotels / beds)	8.073 / 593.990	9.036 / 682.050	9.732 / 763.407
Top 5 Markets	UK, Germany, Italy, France, the Netherlands	UK, Germany, Italy, France, the Netherlands	Germany, UK, FYROM, France, Italy

Increase in employment 2000 – 2005: 7,72%

Decrease in employment 2000 – 2010: 4,2%

Increase in hotel capacity 2000 – 2005: 11,92%

Increase in hotel capacity 2000 – 2010: 20,54%

Table 8. Greek tourism performance indicators for the years 2000, 2005 &amp; 2010

Performance Indicators	YEAR		
	2000	2005	2010
Rank-International Arrivals	13 <sup>th</sup>	17 <sup>th</sup>	17 <sup>th</sup>
Rank-Receipts	11 <sup>th</sup>	12 <sup>th</sup>	21 <sup>st</sup>
International Tourist Arrivals (mi.)	12,4	12,9	15
International Tourism Receipts (bi.)	9,2 \$	13,7 \$	12,7 \$
Average per Capita Expenditure	741,9 \$	1.062,0 \$	846,7 \$
Market Share World-Arrivals	1,8%	1,6%	1,6%
Market Share World-Receipts	1,9%	2,0%	1,4%

Source (tables 7 and 8): Association of Greek Tourism Enterprises

Increase in arrivals 2000 – 2005: 4.0%

Increase in receipts 2000 – 2005: 48.9%

Increase in arrivals 2000 – 2010: 21%

Increase in receipts 2000 – 2010: 38%

## 5.2. Findings concerning the Greek tourism and hospitality

- 2010 was one of the most difficult periods of the last 50 years for the Greek economy. The GDP of Greece has decreased both in 2010 and 2011 while unemployment increased to 16,3%. The recession is expected to continue in 2012 in the country.
- During the first half of 2010, international tourist arrivals to Greece decreased by more

than 5%. This poor performance was the result of insecurity in the source markets about on-going turbulences in the Greek economy and society. This situation stimulated Greek travel companies to offer prices discounted by up to 15% and last-minute deals. Promotional offers had a positive impact on the number of arrivals in August and September and 2010 closed with a marginal increase in international tourist arrivals of 1%, to reach 15 million trips.

- Despite the small increase in tourist arrivals in 2010, incoming tourist receipts decreased by 7%. A number of reasons were behind this decline. Discounts offered by hotels and travel retailers to attract customers reduced the average expenditure per arrival. Moreover, due to the decline in arrivals in the first six months of the year several luxury resorts did not open before June. In addition, the average length of stay decreased (<http://www.euromonitor.com/>).
- Besides the increased number of arrivals so far in 2011, one can say that the tourism industry as a whole strengthened in 2011, mainly due to a) the reduction of VAT for hotels (6,5%), enhancing their competitiveness, b) simplified procedures for travel documents, particularly boosting Russian arrivals and c) partial lifting of restrictions for the cruise industry (however, still much needs to be done).
- According to a report of the Hellenic Statistical Authority in July 2011 there was a spectacular increase comparing foreign arrivals of the first quarter 2011 with 2010 from France (+70,5%), Russia (+79,8%) and Turkey (+97,8%), while arrivals from Britain rose by 32,4% and from the US by 16,6%. On the other hand there was a decline of 19,5% in arrivals from Germany and 15,9% from Cyprus.
- International arrivals by air really picked up in the 2<sup>nd</sup> quarter of 2011, with Thessaloniki and the rest of Greece seeing substantial increases of 20,9% and 17,0% respectively, while Athens stabilised. As a result the year to date numbers turned positive as well.
- In terms of RevPAR (Revenue per Available Room) the developments for Athens and Thessaloniki were also positive with an increase of 8,9% for Athens compared to -4,3% in the 1<sup>st</sup> quarter and 3,3% for Thessaloniki compared to -11,1% in the 1<sup>st</sup> quarter. The resort hotels opened their doors in the 2<sup>nd</sup> quarter and showed excellent performance with an increase of 12,4% in RevPAR compared to the 2<sup>nd</sup> quarter of 2010, resulting in a year to date of 11,2%.
- For the 3<sup>rd</sup> quarter of 2011 hoteliers remain optimistic for their occupancy development,

with the hoteliers from Crete being the most optimistic of all, expecting increases in occupancy levels as well as in prices.

## 6 Conclusions

There is a global increase in tourism and hospitality both in tourist arrivals and tourism expenditure. The trends that are mostly affecting the industry are: the increased concern with guests' safety and security; the enhanced diversity in the workforce composition; the importance of outstanding services leading to additional opportunities for increased revenue; the new technologies which contribute to improved guest services and enhance competitiveness; the population ageing that impacts directly on tourist demand and the tourism labour market; and the correlation between price and value which is very important for the perceptive guests of today.

In the field of tourism lodgings' development, the trend is an increasing number of hotels worldwide applying policies friendly to the environment. The green lodgings not only do save money for the owners but they save natural resources as well, attracting more and more guests who are environmentally sensitized.

The global visitor growth forecasts for 2012 and 2013 estimate that both the inbound and outbound travels will continue to grow, with Europe having the lowest growth in relation to the other continents. Among the countries expected to grow their travel and tourism demand most rapidly up to 2017 are China, Montenegro and India, whereas the countries expected to generate the largest volume of demand in 2017 are the United States, China and Japan. UNWTO's *Tourism Vision* forecasts that by the year 2020 the top three receiving regions will be Europe, East Asia & the Pacific and the Americas.

The future trends in the hospitality industry include more green and eco-lodgings; development of mega hotels; more boutique hotels; intelligent hotels with advanced technology; and guests' virtual and physical social networks to be the best distribution channels.

The position of Greece in the world ranking for 2010 was 17<sup>th</sup> (in arrivals) and 21<sup>st</sup> (in receipts). The comparison of Greek tourism performance indicators for the years 2000, 2005 & 2010 shows that almost all the indicators for 2005 were improved in relation to 2000, with International Tourism Receipts having improved significantly (by 48,9%). On the contrary, the International Tourism Receipts declined by 1 billion US dollars (7,8%) in 2010 in relation to 2005, despite the fact that the International Tourist Arrivals increased by 2,1 million. The hotel capacity in 2010 reached the 763.407 beds (increased by 12% compared to 2005).

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Due to the serious recession Greece is facing, tourism is the only way out for both the country and the tourism entrepreneurs. It is suggested that hoteliers analyse very carefully the current and future trends in the industry and make the right adaptations, as well as they invest in exceptional services offered by their property, in greening their lodging, in new technologies in order to enhance their competitiveness and in utilizing the social networks for their marketing. Moreover, the hotel owners should consider the retirees as their potential guests and make all the necessary efforts in order to attract them and finally, they must seek ways to retain effective, diverse and competent staff.

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<sup>i</sup> Top 10 source markets comprise the Netherlands, the USA, the UK, Switzerland, Italy, France, Austria, Belgium, Denmark and Japan.

<sup>ii</sup> The growth markets, or emerging markets, which may play an increasingly important role as source markets in the future are: China, the Gulf States, Russia and India.