TOURISM EDUCATION FUTURE

Funded by the European Union

International Skills Gap Desk

& Field Analysis

National Skills Gap Desk

& Field Analysis

Tourism education of the future (TEF) - 2022-1-IT01-KA220-VET-000085751
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About TEF project

The project will lead to a better quality of VET provision, to an increased employability of students and professionals, and to an improved quality of the tourism offer in the partners' tourism ecosystems.

The specific objective of the project is to reduce skills gap between schools and tourism industry through three results:

- Improved digital competences of teachers and students;
- Improved soft skills of students;
- Improved professional competences of students and professionals.

The project develops blended upskilling activities for teachers and trainers (courses, masterclasses, workshops, community of practice) and innovative learning activities for students (blended skills competitions and online contests). The partners are going to constantly map the tourism ecosystem needs, setting up CVET courses, micro-credentials and sectoral initiatives (Pact for Skills on tourism) to provide training activities aligned with economy and society.

The project produces the following results:

The project's Work packages are:

- WP1: Project management and implementation
- WP2: CPD of teachers
- WP3: Virtual and blended cooperation
- WP4: Skills gap

Aim of the WP4

The aim of WP4 is to map the tourism ecosystem needs through a Skills gap analysis in order to understand the needs of the tourism companies and to provide upskilling and learning activities that can respond effectively to.

The WP4 skills gap analysis consists in a desk analysis, (conducted both at national and international level) and on field research. The desk analysis presented here will be functional to the creation of a survey for the field research. The tools together with the methodology will form the skill gap analysis toolkit that will be used to monitor the tourism ecosystem.

Desktop analysis methodology

<u>International desk analysis:</u>

We have identified a number of internationally relevant sources that can adequately represent the tourism industry around the world. The sources are as follows:

- World Economic Forum (WEF)
- World Trade Organization (WTO)
- European Travel Commission (ETC)
- World Travel and Tourism Council (WTTC)
- EC (DG Environment, DG Regio, DG Growth, DG-Employment)
- IBTM
- Condé Nast Traveller
- The Organisation for Economic Co-operation and Development (OECD)
- Eurostat
- CEDEFOP
- UNESCO
- Professional research/publications
- International Labour Organization (ILO)

Four themes of interest were then identified:

- Future Trends
- Skills Gaps
- Challenges/Obstacles
- Social Development

The sources were divided among the partners and each produced a summary of relevant data for each source, dividing information in the four identified topics. Every synthesis for each source had also a brief introduction and conclusion. The references were indicated in APA mode with bracket, name of sources and year, when possible. The various research was finalised into a single document.

<u>National desk analysis:</u>

Each partner analysed its own country, using official sources from relevant organisations, national institutions, and research centres (National tourism boards, Statistical bodies, Chamber reports, National tourism associations, Regional Marketing, Regional tourism board). Belgium is represented in the partnership by the international organisation EfVET. Due to its nature, the international organisation EfVET did not contribute to the mapping of the national situation, but only to the international one, with which it has more frequent and stable relationships. The analysis of Belgium is therefore not included in this paper.

International desk analysis

Introduction

With a rich cultural heritage and diversity, and comprising some of the largest destinations and main source markets in the world, Europe continues to stand as the most-visited region, welcoming **half of the world's international tourist arrivals [UNWTO]**. Tourism is a very complex industry made up of a number of different businesses and economic activities. It can be defined with reference to the goods and services tourists consume, where a tourist might be defined as a person who is travelling or visiting a place for a variety of purposes. This includes a range of different activities such as taxi operation, passenger transport, accommodation, restaurants, food services, cultural, entertainment and recreation activities **[CEDEFOP, 2020]**.

Within Europe, the 28 countries of the European Union account for the bulk of the region's international arrivals, some 81% of Europe's total and 40% of the world's figure. **Five out of the top ten** destinations in the world are located in the European Union: France, Spain, Italy, Germany and the United Kingdom. Tourism generates 10% of GDP and represents 9% of total employment in the European Union. It creates jobs for 26 million people – through its direct, indirect and induced effects in the economy – in particular for young people, women and people from a migrant background. **Tourism is one of the key pillars of the EU strategy for jobs and inclusive growth.** Within the EU, **Southern and Mediterranean Europe is the most visited group of countries** with 193 million arrivals in 2016, followed by **Western Europe** (171 million), **Northern Europe** (66 million) and **Central and Eastern Europe** (70 million) **[UNWTO].**

Covid-19 crisis

The COVID-19 pandemic ended a decade of continuous growth for Travel & Tourism, as the sector's total contribution to global GDP fell by almost US$ 4.9 trillion in 2020 while 62 million jobs were lost. 2021 provided relief as the sector's global economic contribution rebounded by 21.7% and it recovered 18.2 million jobs **[WTTC, 2023]**. The crisis has exacerbated global inequalities in the labour market in the tourism sector, disproportionately affecting women, young people, migrants and workers in the informal economy, who are often among the most vulnerable groups of workers. Of all age groups, the COVID-19 pandemic has had the greatest impact on young workers, and this is reflected in the tourism sector, where more young people work on average than in the wider economy. In 2020, youth employment fell by 8.7 per cent globally compared with 3.7 per cent for adults **[WTA, 2021]**. In 2022, demand for international travel returned strongly, as governments around the world loosened COVID-related travel restrictions. In 2022, for instance, the number of international overnight arrivals is expected to have doubled (109% annual growth) compared to 2021 – reaching 62% of 2019 volumes **[WTTC, 2023]**. Tourism recovery from COVID 19 pandemic will rapidly achieve pre pandemic figures on travelling and accommodation. However, the hospitality organisations business margins have been and will continue to suffer from prolonged war in Ukraine, labour shortages, elevated food and energy prices, and stalling economic growth **[ETC]**. Future shocks should not be discounted. The

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sector faces a number of challenges, including high inflation, which can eat away at travellers' disposable income; geopolitical shocks, such as the Russia-Ukraine conflict; staff shortages and capacity constraints. A possible resurgence of COVID-19, and the associated re-emergence of travel restrictions, should not be overlooked either **[WTTC, 2023]**.

Among the 28 countries of the European Union, the direct contribution of tourism is highest in

1. Spain, estimated at 11% of GDP,
2. Portugal, about 9%
3. France (7%)
4. Italy (6%)
5. Austria, Hungary and Greece (above 5%)
6. Germany, the United Kingdom and the Netherlands (about 4%)
7. Belgium, Poland and Denmark (around 2% of GDP) **[UNWTO]**

Employment

Tourism industries employ 12 million people in the European Union. Tourism is a labour-intensive sector that has become a major source of job creation at all skill levels. The tourism sector is a major driver of economic growth and an engine for job creation [ILO]. Tourism has a significant multiplier effect, creating employment in related sectors such as agriculture, construction, maintenance, retail, handicrafts or financial services. According to UNWTO and the International Labour Organization (2014), one job in the core tourism industry of accommodation creates about one and a half additional (indirect) jobs in the tourism-related economy **[UNWTO].** According to ILO, tourism can also contribute to economic diversification, enhance local culture and products, promote local enterprises and support job creation. The tourism sector is of particular importance for women, young people and migrant workers, who make up a large share of workers, operating in micro, small and medium-sized enterprises **[ILO]**.

EU policy aims to maintain Europe's standing as a leading tourist destination while maximising the industry's contribution to growth and employment **[EU TOURISM, 2022]**, but the experience of the pandemic has resulted in the emergence of new trends and has accelerated others. The analysis here identifies and discusses upcoming trends, such as the digital transformation, sustainable development & sustainability, over tourism, the sharing economy, but also booking flexibility, the growing influence of social media on decision-making, and interest in sustainable travel are the key trends and challenges for the global tourism industry **[WTA, 2021]**. Moreover, the sector requires specific actions and initiatives to be undertaken, in order to grow, such as boosting investment, support of SMEs, exploiting the opportunities of the digital economy and collaborative economy, equipping tourism professionals with the right skills **[UNWTO].**

This research will expose future trends in the tourism industry, analyse skills shortages and training needs, challenges and obstacles businesses are facing, and social development and consequent changes in tourism.

Trends

The impact of the Covid 19 pandemic on tourism has been severe, but despite this, the sector is recovering, and the outlook is positive, as the data show. This section shows the tourism trends according to existing data and forecasts will be the most widespread.

Trends are influenced by the different needs of the travellers and the increasing importance of certain aspects (sustainability, digital etc…), and the policymakers have to consider them.

UNWTO's long-term outlook Tourism Towards 2030 shows that there is still a substantial potential for further tourism growth in the EU in the coming decades. **International arrivals** to EU destinations are expected **to increase** by an average of **9 million a year through 2030 (+1.9% a year),** with faster growth from source markets outside the EU. **[UNWTO]**

Prior to the COVID-19 pandemic, tourism was a major industry in Europe, with millions of people visiting the continent every year. Eurostat data from 2019 showed that France, Spain, Italy, Germany, and the United Kingdom were the top five destinations in terms of the number of nights spent by tourists. **[Eurostat]**

Trends highlight:

- **Wine tourism** (for protecting culture and supporting local jobs and businesses. The **7th UNWTO Global Wine Tourism Conference** in La Rioja later this year)
- **Shopping tourism** (with particular reference to its close links **to leisure and gastronomy**. Aiming to promote responsible urban tourism through joint promotions and events as well as through shared efforts to monitor and share trends in tourism consumption)
- **Sport tourism** (**Second World Sports Tourism Congress** will be held in the city of Zadar on 26 and 27 April)
- **Outdoor Tourism** (Now, **The European Parliament suggests boosting cycling habits and the EU's green transition through more dedicated cycling lanes, parking places for bikes.** MEPs also call on the Commission to designate 2024 as the European Year of Cycling).
- **Tourism for ALL** (**accessible travel,** LGBTQ+ tourism, UNWTO, Fundación ONCE and the Spanish Association for Standardization (UNE) co-organized a **Seminar on Tourism for All**, gathering national tourism administrations, destinations, companies, and professional industry associations, underscoring the role of accessibility for social inclusion and business opportunity).
- **Sustainable tourism: on land and in oceans** (UNWTO continued to step up tourism's pace towards a more sustainable future. **UNWTO International Network of Sustainable Tourism Observatories (INSTO)** already number more than 30 worldwide. INSTO monitors tourism's impact on local economies and habitats, allowing for smarter data-driven policymaking. At the **Tourism for the Ocean and Climate Action** event held during FITUR, UNWTO confirm its support for the BlueCOP28 and Dubai Blue Pact initiatives) [UNWTO]

In recent years, **sustainable tourism** has become increasingly popular, with many travellers seeking out eco-friendly accommodations, local experiences, and responsible tourism practices.

This trend has been driven by a growing awareness of the impact of tourism on the environment and local communities [Eurostat]. Hospitality brands are focusing on issues that hold importance to informed global

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citizens—like conservation, sustainability, education, inclusivity, and community. Eco accommodation will continue to see growth, as customers are looking for environmentally friendly hotels. [Condé Nast Traveller]

With the latest UNWTO data pointing to a return to pre-pandemic arrival levels in some world regions in 2023, ***UNWTO priorities are:***

1. tourism investments,
2. rural development,
3. diversification,
4. sustainability,
5. accessibility.

The increased interest in sustainability of all commercial activities, the change in consumers'/tourists' preferences, and types of tourism such as agri-tourism also stress the importance of green skills.

Another trend in European tourism is the rise of **alternative accommodations** such as vacation rentals, hostels, and camping sites, which offer a more affordable and flexible option for travellers compared to traditional hotels **[Eurostat]**. Digital technologies increasingly feature in cultural policies, expand access to culture or broaden information sources to encourage sustainable cultural tourism. Online booking platforms and travel apps have made it easier for travellers to plan and book their trips, and social media has enabled them to share their experiences and connect with other travellers **[Eurostat]**.

Regenerative tourism will be at the forefront of the tourism recovery. With travel restrictions and quarantine measures there has been a surge in **domestic and regional tourism** in Europe, as people are looking for local destinations and safe, short-term getaways. As people are still concerned about the risk of transmission indoors, there has been an increase in **outdoor and nature-based tourism,** such as camping, hiking, and cycling.

The pandemic has brought a renewed focus on **sustainable and responsible tourism** practices, as travellers are more aware of the impact of tourism on the environment and local communities.

With the rise of social distancing and hygiene measures, there has been a growing demand for **digital and contactless experiences**, such as virtual tours, self-guided tours, and mobile ticketing.

There has been a shift towards **"slow travel"** in Europe, with travellers looking for more meaningful and immersive experiences, such as cultural exchanges, volunteer tourism, and wellness retreats.

The overall objective of the European Tourism Policy is to support a business environment where EU tourism can develop as a global leader in sustainability and innovation while maintaining Europe as a leading tourist destination. More than ever, **Education and VET ecosystems** play a crucial role in developing a resilient economy to counter the current climate of acceleration of challenges. The tourism and hospitality sector needs smart ecosystems for all stakeholders linked to the value chains of hospitality and tourism. EU policy aims to maintain Europe's standing as a leading tourist destination while maximising the industry's contribution to growth and employment.

As the sector faces evolving challenges, imminent reaction at EU level is of utmost importance. Furthermore, the unprecedented international **border closures** and **other travel restrictions** are creating a huge operational challenge for tour operators, as well as for their contractors (i.e. accommodation and restoration services, coach transport services) and airlines, which need to repatriate thousands of tourists in a very short time [European Parliament].

However, these trends suggest that there are opportunities for innovation and adaptation in the industry and that there is still a strong demand for travel and tourism experiences.

With regard to **employment trends,** peer-to-peer tourism (private accommodation offers via online platforms) has become one of the fastest-growing parts of the sector, though its effect on employment can only be measured indirectly via the incidence of self-employment within the accommodation and food service sub-sectors [World Bank (2019)].

Skills gaps

The expected growth of Tourism presents both an **opportunity** and a **challenge** at the same time. **The opportunity is to invest and create quality job opportunities in the tourism sector; while the challenge is to find the right tourism human capital base that meets current and future market demands** and, ultimately, **enhances competitiveness and sustainability of tourism destinations.** Therefore, tourism development in UNWTO Member States **needs a human capital** base that is:

-Abundant: the right volume of human capital available at all skill levels and in all sub-sectors and job families of tourism.

-**Highly qualified:** human capital with the right type and level of education, training and experience available at all skill levels and in all sub-sectors and job families of tourism [UNWTO]. For example, in the next years, higher level of education will be required for the sectors “Accommodation and food” (ISCED 0-2 - 39%; ISCED 3-4 - 44%; ISCED 5-8 – 14%); and in “Arts recreation and other services” (ISCED 0-2 –17%; ISCED 3-4 -– 46%; ISCED 5-8 – 35%). In these (and other sectors) the use of digital devices in the EU is strongly widespread: at least 75% max 97% **[CEDEFOP, 2022]**.

-Highly motivated and with the right attitude: in order to deliver exceptional experiences to visitors.

-Able to gain the economic benefits from tourism: it is also imperative that UNWTO Member States and their local communities can fully benefit from the growth of the tourism sector through meaningful, quality jobs with clear and visible career path opportunities in the sector. [UNWTO]

Skills gap identified by Condé Nast Traveller:

- Lack of more practical hours in tourism jobs training;
- Need to continuously update tourism courses skills to more transversal skills, instead of specialisation skills;
- Need to train SME's hospitality managers towards the creation of an attractive professional path for the employee – the so-called employee journey;
- Need to train the staff on storytelling strategy towards a better customer's experience communication.

Future request of higher education

Employment percentages will change by level of education from 2020 to 2030.

Food preparation helper: Medium and high education will raise about 3-6 per cent in 10 years. Occupation for low educated workers will diminish.

Cleaners and helpers: Medium and high education will raise about 5-8 per cent in 10 years. Occupation for low educated workers will diminish.

Hospitality retail managers: High educated workers will see an increase by 5% of employment. Low and medium slightly diminished occupation.

Sales workers: Decrease of 3% employment of low and medium educated workers, increase of high educated workers of 8 %. Overall increased occupation of higher educated workers. [CEDEFOP, 2020]

Automation risk

As a part of its Digitalization and future of work project, CEDEFOP estimates the risks of automation for occupations. The most exposed occupations are those with a significant share of tasks that can be automated – operation of specialised technical equipment, routine or non-autonomous tasks – and those with a small reliance on communication, collaboration, critical thinking and customer-serving skills.

The risk of automation is further accentuated in occupations where employees report little access to professional training that could help them cope with labour market changes. The automation risk indicator brings together both views and calculates the share of people working in different occupations whose jobs are both exposed to high levels of task automation and at the same time they lack access to appropriate training.

A higher and more specific education is considered a solution against automation risk: jobs that requires **robust technical skills or strong cognitive abilities and attitudes** (e.g. active learning, ICT literacy) as well as **high levels of cross-functional skills** (social skills, complex problem-solving, resource-management) do not suffer of high automation risks. Low automation risk jobs need to improve **problem solving skills, communication skills and advanced ICT skills** [2014]

Solely on the basis of anticipated structural employment shifts underlying EU job markets, future economies will increasingly require individuals in possession of **social skills, complex problem-solving, resource-management**. Robust technical skills are also at the core of the arsenal of future proof skills that individuals must possess, as nearly half of all EU jobs will have a stable need for such skills in the coming years [CEDEFOP, 2020].

Transversal Skills

Transversal skills will play a significant role: skill gaps and shortages reported by employers mostly regard such skills, as well as language, interpersonal skills and ICT skills rather than job/tourism-specific skills [EU commission '16]. Since the sector also suffers from negative perceptions regarding working conditions and career prospects, offering targeted and high-quality training opportunities could be a way to attract more and better-prepared candidates [CEDEFOP, 2022].

Focus on "Hospitality, retail and other services managers".

Hospitality, retail, and other services managers will need a more general, public-facing skillset. The share of highly qualified workers in this occupational group is projected to increase. The drivers of change:

- Managing a new generation of workers (young people have grown up in a hyper-connected world, raising their expectations of faster and more readily available communication with higher-level staff. They also value the blending of their work and personal lives. Increased demands for flexibility; build effective communication networks between staff and management, and require mid-level managers to invest time in improving their mentorship to new recruits)

- Ageing populations across the EU already pose recruitment challenges: a shortage of younger workers will require managers to have the skills to find new ways to attract workers of different ages.

- Technological change: self-service checkouts, advanced skills in data management, critical analysis, web and other tech-related subjects, as well as strategic planning will be required.

The increase in the operation of firms through different channels, such as e-commerce/e-booking and marketing will place new demands on managers in hospitality, retail and other services. A key requirement will be to have the skills to manage customer requests through these new channels, and to deliver training and upskill staff, especially given the need for customer service/sales assistants to have current knowledge of the firm's online and offline offers and those of its competitors.

Evolving legal and regulatory frameworks demand that managers have a good understanding of laws and regulations and are able to work within such frameworks, such as labour regulations and food hygiene and care. For example, Europe’s labour market has liberalised significantly in the last ten years, and this has resulted in a huge increase in temporary work contracts in industries such as retail and wholesale and accommodation and catering. This will pose new tasks for managers to effectively lead their teams under conditions of strong job turnover.

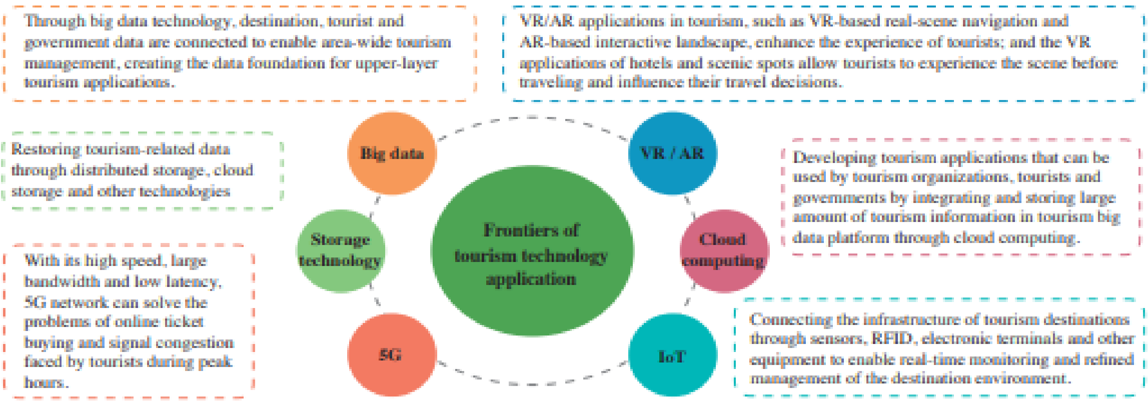
Education opportunities

The UNWTO, with the UNWTO Academy, strives to help UNWTO Member States to face these opportunities and challenges by offering them a comprehensive portfolio of products and options to address this.

New technologies

The World Tourism Innovation and Development Report (2021-2022) is an annual research report jointly compiled by the World Tourism Alliance (WTA) and the Tourism Research Center of the Chinese Academy of Social Sciences. In the last report available these **frontiers of technology application in tourism were foreseen:**

- AR/VR technology
- Big data technology
- 5G technology
- Blockchain technology
- LBS technology
- Green and low-carbon technology



The share of self-employment in these two sub-sectors reached 14% in 2018, while in some countries, such as Belgium, Greece, and Italy, it equalled to one quarter. **Re-skilling and upskilling** of existing employees is necessary to respond to the emerging and persisting new trends in the sector, such as provision of services to targeted groups of visitors (for example, elderly or with disabilities; visitors seeking specific experiences such as sustainable/green tourism, cultural tourism, adventure tourism etc. [EU commission 2017]).

Depending on the occupation, the level and type of digital skills vary; but it can be inferred that the upgrade of these skills is necessary across all tourism occupations. Digital skills are also necessary for tourism entrepreneurs and managers, particularly in SMEs and family-run businesses [EU commission 2016].

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Challenges

The ILO report focuses on the opportunities and challenges for decent and sustainable work in the tourism industry in the context of the COVID-19 crisis. These opportunities and challenges are divided into four main subsections covering the Decent Work Agenda:

- Tourism as an engine for job creation
- Social protection, OSH and conditions of work
- Social dialogue and tripartism
- International labour standards and fundamental principles and rights at work. [ILO]

Tourism companies must be able to **fulfil their marketing offer**, or the customers will ruin its image through social media and shared experiences platforms. They should also be able to **communicate** that their business is ethically **managed.** Customers are more aware of this subject and are not willing to take part in experiences they feel bad to do so. [IBTM]

Hospitality brands are focusing on issues that hold importance to informed global citizens—like conservation, sustainability, education, inclusivity, and community. **Digitalization** is both a challenge and a great opportunity for companies. During the pandemic, hotels everywhere made technological leaps to adapt to the times, and now things like contactless check-in and QR-code room-service menus are givens. There is clear indication of a continuing transition from hotels solely focused on hospitality to a hybrid model with hotels offering broader and more diverse services. [Condé Nast Traveller]

Seasonality

Seasonality in tourism activities is only partly reflected in tourism employment. Tourism demand varies considerably throughout the year. Occupancy rates at accommodation establishments are higher in the summer months than in any other period of the year. In the EU, the average number of nights spent in accommodation establishments is 2.9 times higher in the third quarter of the year (the peak quarter) than in the first quarter (the lowest quarter). These seasonal fluctuations only partly translate into seasonal variations in employment. In the peak quarter of 2014, employment in tourism was only 1.2 times higher than in the lowest quarter. This affects the accommodation sector the most, where employment was also 1.2 times higher in the peak quarter than in the lowest quarter. In air transport it was 1.1 times higher and in travel agencies it was about the same [UNWTO].

Labour shortage

The depreciation of the Tourism service functions (waiter, housekeeping, reception) leads to lack of professionals in these jobs. This is combined with the high rate of personnel rotation, due to seasonality, working hours, and perceived low pay. The need to hire, to train and to integrate non-national professionals requires a deeper financial investment. Overall, everything must be analysed under a growing Tourism industry and serious demographic issues in Europe.

Future employment needs in EU27.

Over the period 2020-2030 will be required:

- 1’321’200 Hospitality and retail managers
- 5’904’300 Sales workers

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- 4’702’900 Cleaners and helpers
- 748’100 Food preparation helpers [CEDEFOP, 2020][1]

In the top three occupations required by 2030 there are Sales workers (5’438’900) and Cleaners and helpers (4’508’300); then 1’149’500 Hospitality managers, and 673’200 food preparation helpers. [CEDEFOP, 2022]

Annual employment growth: Accommodation and food 1.1(%) administrative services 0.7, Arts & recreation and other services 0.4 [CEDEFOP, 2022]

<u>Low salaries</u>

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The serious demographic issues in Europe. [UNWTO]

<u>Skills gap identified by Condé Nast Traveller:</u>

- Lack of more practical hours in tourism jobs training;
- Need to continuously update tourism courses skills to more transversal skills, instead of specialisation skills;
- Need to train SME’s hospitality managers towards the creation of an attractive professional path for the employee – the so-called employee journey;
- Need to train the staff on storytelling strategy towards a better customer’s experience communication.

Job security/Automation risk

Employees in EU27 with high automation risk in 2020-2030:

- Hospitality & retail managers – 52’800
- Cleaners and helpers – 611’400 (High risk)
- Food preparation helpers – 74’800
- Sales workers – 531’400 (High risk) [CEDEFOP, 2022].

Other challenges:

- Skills shortage
- Restoring safe mobility .

[1] https://www.cedefop.europa.eu/en/tools/skills-intelligence/future-employment-needs?country=EU27&year=2022-2035#1

Social development

Tourism is a major economic activity in the **European Union** with wide-ranging impact on economic growth, employment, and social development. Tourism is an important topic and driver of economic development in Europe. The Tourism sector is stimulating growth by generating income, employment and through its exports to original education worldwide. Therefore, it helps to sustain our cultural heritage, and promotes an awareness of a common European identity and citizenship distinguished by its diversity.

The tourism economy would thus continue to be highly impacted. Both the Hospitality and Tourism Industries have suffered a deep crisis as a result of the COVID-19 pandemic, with, according to the New European Skills Agenda tourism falling considerably overall and with 6 million jobs at risk in the sector (almost half of jobs in tourism), the vast majority in SMEs or micro enterprises (90% of businesses).

A recent ILO report identifies key trends and developments in tourism, business and employment in the sector – both pre- and post-pandemic – and highlights the immense impact that the COVID-19 pandemic has had on the sector, its enterprises and its workers. It also focuses on the need for an **inclusive**, **safe**, **resilient**, **fair** and s**ustainable human-centred recovery** and **sustainable enterprises** in the sector. An on decent work opportunities and challenges, examining key employment and skills issues, social protection, OSH (occupational safety and health) and conditions of work, and the importance of social dialogue, international labour standards and fundamental principles and rights at work. [ILO]

The Tourism sector also can create jobs for women, young people and men. In the tourism sector, business companies/small media companies play a major role as job providers for young people, women and migrant workers.

Tourism creates jobs **for women and youth**. The tourism sector is a major employer of women and attracts a young labour force. Almost **6 out of 10 persons** employed by the tourism industries in the European Union **are women**. Compared with the total non-financial business economy, where 36% of people employed are female, the labour force of the tourism industries includes more **female workers (58%)** than male workers. With 13% of workers aged 15 to 24, compared with 9% for services or for the non-financial business economy, the tourism industries have a particularly **young labour force**, as these industries can make it easy to enter the job market. [Eurostat]

Data confirms that tourism is an important employer of women worldwide, with a high representation of women throughout the sector and a majority representation of women in sub sectors such as accommodation and food.

While the COVID-19 crisis has affected workers throughout the industry, women's employment has fallen more than that of men, while in the wider economy women have experienced greater employment losses, in part due to their high representation in the worst-affected sectors such as tourism (see figure 4). While tourism- specific data are unavailable, global data is indicative of the scale of the challenge in the industry. In 2021, there were still 13 million fewer women in employment compared to 2019 worldwide, while men's employment was projected to recover to 2019 levels. Meanwhile, only 43.2 per cent of the world's working-age women were employed compared to 68.6 percent of working-age men.

Youth employment during the COVID-19 pandemic has had the greatest impact on young workers and this is reflected in the tourism sector, where more young people work on average than in the wider economy. In 2020, youth employment fell by 8.7 per cent globally compared with 3.7 per cent for adults.

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Young people entering or looking to enter the tourism sector now face greater challenges in starting their careers. Empirical evidence shows that starting a career during a recession can affect an individual's labour market outcomes for a decade or more. To minimize the **impact on young people**, policy interventions in the tourism sector should be immediate and substantial and should include dimensions that are targeted to reach young people, in particular those who are often in vulnerable situations, including young women.

In addition to the impact of the sector on greenhouse gas emissions and climate change, a key concern is the conservation of biodiversity. The conservation of ecosystems, protected areas and species is often dependent on the revenue that tourism provides.

Training a more diverse workforce is changing the face of the industry – due to the lack of enough labour force to face the Tourism post pandemic boom, hiring immigrants directly from their countries to work in the sector. However, this will need training packages and intercultural preparation. [Condé Nast Traveller]

National desk analysis

Italy

Introduction

The Covid 19 **pandemic** period has deeply affected the tourism economy in Italy as well as all over the world. Nevertheless, we can consider the last few years positive for national touristic sector: in 2022, the touristic rate in Italy is almost back to its pre-pandemic level (foreigners' spending in Italy and Italians' spending abroad rising sharply compared to 2021, but not yet to 2019 levels) [Federalberghi, 2022]. According to predictions, Italy will go on to gain further market share. In fact, 2023 promises to be the year of the return to pre-pandemic levels, after a 60% growth in 2022. According to Enit and Isnart-Unioncamere [2023] survey, 37.7% of International travellers say they plan to come to Italy in 2023 and, if this is the case, there would be an increase of around 8% compared to the figure for the last five years. Compared to 2021, the expected growth is +16.7% for presences and +17.4% for expenditure**.** In terms of recruitment, the tourism sector had a 75% share of recruitment in 2022.

Trends

According to forecasts, in 2023 14.6 % of the tourists are expected to be Spanish, 12.7 % Americans, and 12.3 and 12.2 % Swiss and Austrians. In this context, Americans are top spenders: 16% of US guests spend over EUR 5,000 and another 18% between EUR 2,000 and 5,000. The peak of tourists should coincide with the summer season, which could host about half of the total flow **[Enit e Isnart-Unioncamere, 2023].** In 2022, **naturalistic heritage** is the first holiday motivation, taking the place of the classic binomial Italy-art, which 'drops' to second position: 18.1% of Italians and 22.4% of foreigners move to spend a holiday in contact with nature. The Covid-19 has stimulated **open-air tourism**, making nature tourism specifically congenial, so much so that 35% of tourists will also holiday in Italy in 2021, 28% even chose Italy over other countries. There is growing interest in **sustainability** but also in **local tourism** (linked to cultural and culinary tradition). Italian cuisine is an important factor of attractiveness so much so that, for 39.0%, the Covid-19 did not influence their choice to holiday in Italy for food and wine reasons. Eno-gastronomic tourists are predominantly young people from Generation Y (38%), in line with pre-pandemic data, but a share of very young people emerges who belong to Generation Z (13%) and adults from Generation X (31%). The possibility of practicing **sport** is also increasingly popular (32%), as important as the presence of natural beauty and rich cultural heritage within the destination. And so, among the activities most practised, trekking (39%) and cycling in its various forms (31%) emerge, way ahead of activities traditionally carried out in seaside resorts (diving, surfing, sailing). Still a real valorisation of what already exists, through better organisation and management of support services is required [**ISNART, 2021].** The Italian style is the aspect that remains most impressed in the memories of respondents (43.4% of cases), followed by natural beauty and cultural heritage (38.9% and 32.8% respectively).

Skills gaps

- **Soft skills**

Analyses show that as the level of education of employees increases, so does the demand for soft skills. Especially a high level of communication in Italian and foreign languages and use of digital skills is required. Among soft skills, are more required skills such as teamwork, problem solving, working in autonomy, flexibility and adaptation, all with between 40 and 69%. **[Excelsior 2022]**

- **Green**

The sectors with the highest share of green companies yet in 2020 included accommodation and catering and tourism (45.9%). This is the result of a growing attention and interest in the topic of sustainability, and thus the demand for greener alternatives (including management and opportunities).

Green skills can contribute to the growth of the sector by focusing on more sustainable tourism, which must be effectively communicated to the consumer. Also crucial in this sector are skills related to recycling and waste management, water and energy services. **[Excelsior-Anpal, 2021**]

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Despite the general interest in the green transition, there are no specific demands for skills related to environmental sustainability. There is general interest, but little awareness of what is actually needed to put it into action.

- **Digital**

Digitalisation is becoming more important also for the tourism sector, useful both in the relationship with the tourist and in the management of services. For example, in the **data valorisation** and strategic use, **cybersecurity** and **data protection** to make safe online and remote payments. Digital competences are increasingly in demand and useful in the field of **communication** or to make services more attractive. Proof of this is the increasing role of the social media manager or revenue/pricing manager.

Internet is consulted by the undecided, but also by those who have a clear idea of where to go and want to organize every detail of the trip themselves. In 2022, online information influenced 55% of tourist offers from portals and websites 41.8%, online reviews 13.3% and social networks 11.7% of visitors **[Enit e Isnart-Unioncamere, 2023].** In the specific case of eno-gastronomic tourists, very common are reviews about their food and wine holiday experience. Facebook stands out above all (90%), followed by Instagram (64%); alternatively, there is Google (43%) **[ISNART, 2021].** In general, there is little demand for technology skills at the vocational diploma and secondary education levels, while there is much demand for university levels. [**Excelsior 2022].**

Challenges

Lack of workers

After Covid 19 pandemic, many workers left the tourism sector for more stable jobs. It is difficult to find workers, both because of mismatches between the skills and demands of companies and because of lack of personnel**.** This also concerns young people (under 29 y.o): 61% is the percentage of difficulty in finding young people in the tourism, cultural and security service technician's sector. In the Piedmont region about 36%. An estimated 540.000 new hires are expected by summer 2023, of which more than 50.000 will be in the tourism sector (the greatest demand for work by entrepreneurs and companies will in fact be in tourism and already from March) **[Anpal-Unionacamere, 2023]**.

The importance of delivering a quality service is demonstrated by the fact that companies that focus on quality services are rewarded by a more 'loyal' clientele: in fact, almost one in two tourists return to their holiday destination and one in ten do so to stay in the establishment they trust **[Enit e Isnart-Unioncamere, 2023].** Nevertheless, new challenges related to conflict between Russia and Ukraine, rising energy prices on transport costs, inflation and reduced consumer purchasing power arise.

Social development

The Covid 19 pandemic has generated new ways of travelling: thanks to smart working, 1 in 10 tourists claim to have combined work and holiday, with a probable impact in terms of extending the length of stay. Employment in tourism has a higher female component 53% the national average (Piedmont 57%). From a business perspective, the prevalence of small businesses characterises the tourism sector and, at the same time, a high turnover of workers, who often join the company on unstable contracts.

Conclusions

The tourism sector is growing and will return to pre-pandemic levels in 2023. Nature, sustainable and outdoor tourism is favoured, followed by sports, tourism and food and wine tourism. There is growing demand for language skills (Italian and foreign languages); soft skills, with emphasis on teamwork and communication; and digital skills (data processing, web, and digital communication). There is general interest in green skills, but little awareness. Workforce and high turnover are the main challenges of the future for industry companies.

Spain

Introduction

The tourism sector contributes 147,946 million euros of activity in Spain, which represents 12.3% of the Gross Domestic Product (GDP), according to the INE (2018). The generation of wealth in the environment is not only confined to companies in direct contact with tourists, but its pull effect extends its impact to the entire value chain. This tractor effect is embodied in the fact that for every 100 jobs in branches of activity in direct contact with tourists, 67 additional jobs are generated in other sectors, and for every 100 euros of added value, 62.1 euros are contributed in other sectors, according to the INE. The promotion of the local economy is a very present aspect in companies of the tourism sector. More and more companies in the sector are developing actions to support local products and suppliers, favoring the development of a local economy, fostering collaborations and alliances between groups of businessmen and promoting the creation of indirect employment. As an example of this, the companies consulted for this study make an average of more than 85% of their purchases locally, supporting local suppliers.

Trends

Following, in order of importance, are the most popular types of travel in the past year, many of which are expected to continue trending in 2023:

01.- Domestic tourism, short trips

02.- Family tourism, a classic

03.- Business and event tourism, MICE. As globalisation and technology advance, business tourism, known as MICE tourism (Meetings, Incentives, Conventions and Exhibitions), will grow.

04.- Urban tourism, short term getaways. Trips to the world's major cities and urban centres.

05.- Rural tourism, a lever for recovery. Rural tourism, or community-based tourism, has emerged as an alternative to conventional urban tourism.

06.- Nature tourism, a breath of fresh air.

Other types of tourism, among them:

- **Agro-tourism,** where tourists have the opportunity to visit vineyards, farms and other food production and processing plants.
- **Ecotourism,** where tourists visit preserved areas such as national parks or reserves.
- **Wild tourism,** where the main attraction is to be in contact with animals in their natural habitat.
- **Adventure tourism,** which by definition includes physical activities such as mountaineering, hiking, climbing, among others.

07- Medical tourism, a healthy option

08- Cultural tourism, an experiential delight

09- Gastronomic tourism, smell and flavour

10- Wellness and mindfulness tourism

11- Educational tourism, learning and more.

12- Sports tourism, excitement and adrenaline**.**

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[Deloitte][2]

Skills gaps

The most relevant challenges for the industry are implementing digital communication strategies (40% of companies), offering experience personalization services (35%) and initiating the use of exponential technologies (big data, artificial intelligence, robotics) (30%).

Challenges

- **Cybersecurity**

The tourism sector is a target industry for cybercrime. To deal with it, companies must focus on: data security, data access control, network monitoring, remote access security and supplier security analysis.

- **Sports**

The eSports market grew by 51% in 2016, becoming a new player to be reckoned with. Crowd events are being organised around these competitions, moving thousands of people to the organising cities.

- **Brexit**

In 2016, including the 6 months after learning of the United Kingdom's decision to leave the European Union, more than 17.8 million British tourists chose Spain as a tourist destination.

- **Robotics**

Robotic solutions have great potential as a transformative lever for the challenges posed by the tourism sector.

- **Collaborative economy**

The new collaborative economy models operate in different sectors, coexisting with traditional models. The coexistence of both models is not simple and will require the creation of a regulatory environment that responds to the needs demanded by the market. [EXCELTUR][3]

Social development

- **Revitalization of rural environments**

The tourism sector has been playing a central role in maintaining the population in rural areas, thanks to the activity generated by the people who visit them. The enhancement of houses as tourist accommodation, the investment in historical, cultural and natural heritage for their enjoyment, the commitment to active tourism formulas and the communication of intangible elements, such as popular festivals, have made places at risk of depopulation an element of economic and demographic dynamization. Only the network of rural houses that exists in Spain is present in 4,723 municipalities, according to the INE, more than half of the municipalities that make up the Spanish geographical structure, being a key resource of the strategy to support the depopulated Spain.

- **Conversion of coastal destinations**

The investment in the reconversion and integral repositioning of some pioneer destinations of the coastal offer developed in the last years has meant a socioeconomic revulsive for its social system. The attraction of tourists with higher spending levels has increased social profitability through the hiring of a higher volume of jobs and higher qualifications in the renovated establishments, has boosted the conversion of businesses in other segments of the value chain (stores, restaurants, leisure, and health facilities) and has

[2] https://www2.deloitte.com/es/es/pages/consumer-business/articles/tendencias-y-evolucion-del-turismo.html
[3] https://www.exceltur.org/wp-content/uploads/2020/11/Exceltur-Informe-completo-Contribución-Social-del-Sector-Turístico-171120.pdf

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generated a reduction in social conflict and an increase in security. According to data from Meliá, promoter of the investments made for the regeneration and reconversion of Magaluf on the island of Mallorca, the opening of Calviá Beach meant an 8% extension of the season, an 8% increase in employment and a 33% increase in the provision of services. In the same line, the investment of the Palladium Hotel Group in the reconversion of Playa d'en Bossa on the island of Ibiza, has extended the season by 10% and increased its personnel expenses by improving employment and hiring new professional profiles by 6%, 59% and 15% in its three hotels located in the area, as well as serving as a tractor effect for the renovation and improvement of numerous businesses located in the surrounding area.

- **Entrepreneurship**

The positive outlook for the future of tourism in Spain, the low barriers to entry in many subsectors of its value chain and the possibilities for improvement based on the introduction of new technologies in business, product development and destination management make tourism one of the sectors with the greatest generation of opportunities for entrepreneurship. This can be seen in the high presence of SMEs in the sector, more than 400,000 according to the INE1 , which at the same time face the challenge of increasing their size to face an increasingly complex and global market and demand.

Conclusions

The tourism sector is the main direct employer in Spanish society with 2.67 million people, which represents 12.7% of the total, according to the INE. This is due to the continuous and accelerated increase in employment over the last decade (19.3% in the tourism branches, compared to 3.4% in the rest of the economy), establishing itself as the main engine of the recovery of employability after the real estate crisis unleashed in 2008.

Its capacity to generate employment is reinforced by:

- **Possibility of conciliation**

The greater presence of flexible working hours due to the daily, weekly and monthly needs and seasonality of demand represents an opportunity for those who need to reconcile their professional life with elements of their personal life (studies, care of dependents). According to data from the first European Study on Employment in Tourism and Hospitality, 20.7% of Spanish professionals are attracted to the tourism sector due to the facilities for personal and professional reconciliation. In fact, according to the latest EPA module on the perception of part-time hiring, 88% of people with part-time contracts in the tourism sector did not want to extend their working day.

- **Professionalisation of performance**

Tourism activities represent an opportunity for training and professional development, with opportunities for geographic and functional mobility within the sector. According to data from the latest available annual Labor survey (2018), 66.5% of companies in the hospitality industry) provided training to improve the knowledge and skills of their workers.

- **Job stability**

Despite the daily, weekly and monthly variability of demand, the sector makes an effort to create stable employment, with the oscillation of employment generated by tourism companies being much lower than the volatility and variations of such demand. As proof of this, 22% of companies in the sector have replaced part-time contracts with full-time contracts, above the average of the rest of the sectors (10.3%) according to data from the latest available Annual Labor Survey of Spain (2018). Additionally, and despite the obligatory need for flexible employment relationship frameworks that characterises tourism activities, the percentage of full-time contracts in the Spanish tourism sector (67.2% in 2018), is higher than the European average, which stands at 65%.

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Portugal

Trends

According to the analysed data, the trends for 2023 could concern the increase of different types of tourism. in particular there will be a strong increase in the importance of senior tourism (*grey travellers*), especially during the low seasons.

To replace the flow of UK tourists following Brexit A strong push will be given to promoting the diversification of inbound tourist markets (USA, Japan, China, South Korea, Philippines, Mexico).

A strong push will also be given to MICE products (to reduce seasonality) and tourism products with a higher added value than just sun and sea.

More attention is also expected towards companies' more digital management and digital marketing focus.

Also a strong push for digital nomad attraction and for higher salaries/benefits for workers.

From a regional point of view (referring to the centre of Portugal) focus on increasing the number of overnights and the net occupation rate.

Skills gaps

Tourism companies require more school-labour connection on the training courses but are not keen on letting their staff teach some hours at VET schools.

Developing training courses / upskilling students/staff on marketing, including digital marketing, tourism product design, tourist experience innovation/differentiation, tourist consumer profile, tourism products sustainability.

Also reskilling senior unemployed citizens to the Hospitality sector.

In the regional context, the need for increasing the duration of the stay in the territory, overcoming Lisbon's, Algarve's, and Oporto's centripetal attraction, impacts on product design training offer of VET provider. Also, the need for increasing the income by room available impacts on Revenue Management training offer of VET providers.

Challenges

The need to quickly decide the location and build Lisbon's new airport, as it is no longer able to receive the increasing number of flights.

The competition with similar but fast-growing destinations, mainly in the Balkans and the Mediterranean, with lower costs.

The increasing number of new and on pipeline hotels / resorts will put additional pressure on natural resources (namely water) and on human resources.

On a regional level there is a need to promote the internal part of the region (center), in order to compensate for the focus on the coast and on Fátima and the need to attract, to train and to retain a labour force to the internal part of the region.

Social development

VET providers should offer Hospitality courses and language skills for the increasing number of immigrants coming from non-Portuguese speaking countries.

National and local authorities should intervene more assertively in the housing market, which is under enormous pressure to provide suitable accommodation for both top-earning digital nomads and low-earning immigrants.

Growing inflation is not accompanied by similar salaries raise in the Hospitality sector, causing a negative balance on qualified staff leaving it and non-qualified staff entering it.

Conclusions

For the growth of tourism in Portugal, the focus will be on some key aspects such as targeting the tourist offer. In particular, efforts will be made to increase the attractiveness for senior tourism, digital nomads and a wide international market.

The main challenges include the insufficient school-to-work connection, the need to implement digital skills, the lack of skilled workers, the competition with other lower-costs European locations.

Finally, an increase in salaries would also be desirable to cope with inflation and stop qualified personnel leaving.

The Netherlands

Trends

During a vacation in the Netherlands, the most favourite activities are visiting a nature reserve (57%) or city/village (48%), taking a walking tour (45%), shopping (45%), taking a city walk (42%), going to the beach or lake (39%) and taking a bike ride (38%). A quarter want to visit a museum, amusement park or zoo. Younger people (18-34 years) are more likely to want to go to a beach or puddle (48%), zoo or amusement park (32%) and take an active outing (25%). In the 35-50 age group, water recreation is clearly more favoured with 38% and the amusement park (36%) and an active outing (26%) are also higher on the wish list. Among young seniors (51-64 years), a visit to a nature reserve is by far the favourite with 65%, as is a visit to a city or village (57%). Furthermore, among them a bicycle ride is clearly more popular with 49%. This is also the case with Dutch people aged 65 years or older who also visit museums more often. [Blauw, ANWB Holiday Monitor]

Skills Gap

-hospitality in behaviour

-hospitality in design

-hospitality in budget

-hospitality in beliefs

-hospitality in inclusion

Challenges / difficulties

Worrying for the Tourism industry is the decline in the number of MBO students. In the 2020-2021 academic year, that stood at 38,000 students taking hospitality/tourism-related courses. Five years earlier there were 45,980 and has been steadily declining ever since. Of the number of MBO graduates, 44.3% work in tourism

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1.5 years after graduation; 12.5% have no job, the remaining 43.2% work in other sectors. The number of higher education students is 17,740 and this number has been fairly stable over the past five years with some fluctuations. Interestingly, of them -1.5 years after graduation- only 28.1% work in tourism. Of all college students who graduated from a tourism-related program, slightly less than 90% follow another program and/or have a job after eighteen months. MBO graduates continue to study more [Gastvrij Nederland, Labor Market Monitor Hospitality Sector, 2022[4]]. In 2022 we see a totally different picture with sharp monthly price increases (from +8.8% to +19.9%) for hotels and package holidays. Also in the other subsectors of the hospitality/tourism industry we see price developments from +5.7% to + 9.7%). [CBS, Price Index, 2022]. Inbound tourism still lags 22% but more than doubled compared to pre pandemic figures. In the Netherlands, 15.6 million foreign guests stayed overnight in 2022.

Social Development

The process of demographic transition is characterised by gradually declining mortality and fertility, leading to longer lives and a lower average number of births per woman. The transition often proceeds in a series of phases, with population growth first accelerating and then slowing down. This transition is accompanied by changes in the distribution of the population by age with a gradual increase in the proportion of older people. In the middle phase, the proportion of the population of working age grows. This offers opportunities for accelerated economic growth and social development, also known as the 'demographic dividend'. During this phase, more investment resources become available for education, health care, employment, social protection, pension schemes, etc., promoting economic growth and well-being in the short and medium term. The population of working-age adults remains relatively large for decades, until eventually ageing leads to a sharp increase in the percentage of people living in old age. Regarding the Sustainable Development Goals, set by the UN, The Netherlands, like many North-Western European countries, was one of the countries that did not intervene in this area, as the right of women to determine the number of children themselves would be endangered.

[4] The data used in this analysis are primarily based on official statistics of the NRIT, Netherlands Research Institute for Tourism and Leisure

Bosnia and Herzegovina

Introduction

Nowadays, tourism is considered one of BiH's most vital economic sectors and makes a substantial contribution to the GDP of the nation by generating new jobs and also encouraging exports.

The COVID-19 pandemic is a truly global phenomenon affecting the travel and tourism sector and cannot be bypassed in any analysis.

More than any other sector, the travel sector has suffered a direct negative impact, which represents an existential threat to the sector in the situation of border closures, suspension of flights, bankruptcy, and accumulation of losses, and all of this contained in the famous lockdown across the planet.

In 2020, the pandemic led to a drastic drop in the number of foreign guests by 83.90% according to the BH Statistics Agency, but "domestic tourism" and "get to know our homeland" tendencies have become popular in Bosnia and Herzegovina.

Trends

The unique cultural and historical legacy, which includes religious landmarks, presents the excellent potential for the growth of **cultural tourism in B&H,** according to FIPA.

Also, elements of cultural intangible heritage have been listed as attractive to visitors.

Festival, event, and conference tourism have a long tradition in Bosnia and Herzegovina and attract numerous visitors from the region, and the rest of the world.

Rural and eco-tourism represent a significant, unused potential, primarily related to natural beauty and cultural heritage. B&H has an extraordinary wealth of natural landscapes and wildlife.

Mountain tourism developed significantly in the 1980s, primarily in the Sarajevo area, as part of efforts to organize the XIV Olympic Games in Sarajevo (1984).

(However, it is necessary to increase investments in modernization and enrichment of the offer during all 365 days of the year). **Outdoor, sports, and adventure tourism** is an emerging and rapidly growing tourism product in Bosnia and Herzegovina. It is most often represented in the following forms: rafting, kayaking, trekking, mountaineering, rock climbing, skiing, etc.

Religious tourism is an important tourist product in Bosnia and Herzegovina that has appeared only in recent years. Religious shrines in Bosnia and Herzegovina are a popular tourist attraction.

Spa/health/wellness tourism is based on the use of thermal, thermo-mineral, and mineral waters for treatment, rehabilitation, and recreation.

As awareness of environmental and social sustainability issues, **sustainable tourism** continues to grow. There is a growing demand for sustainable tourism, and many tourism businesses in Bosnia and Herzegovina are seeking to adopt environmentally friendly practices and support local communities.

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Skills gap

In the post-pandemic period, the tourism sector is lacking in all types of skilled personnel: hotel and hospitality staff, cooks, waiters, receptionists, tour guides, event organiser, tour operator, tourist managers, etc.

Current trends in tourism in Bosnia and Herzegovina are also moving in the direction of digital and green transformation.

The main skills required concern roles such as:

- Digital marketers (Digital marketing and promotion),
- Website developers and designers
- Social media specialists
- E commerce specialists.

Challenges

Undoubtedly, among the biggest limitations to the development of tourism in the country are **the low level of investments** (only 1% of the total value of foreign investments).

Other identified key challenges:

- Fragmented institutional framework, and the lack of a strategic approach to the development of tourism (Fragmented industry limits the ability of the sector to develop and market itself as a cohesive destination)

- Different regulations at different levels of government – state, federal, cantonal, and municipal

- Lack of statistical capacities and reliable data,

- Inconsistent implementation and evaluation of sector policies and strategies,

-Underdeveloped tourist destination management (undeveloped transportation infrastructure)

- An insufficiently stimulating environment for the development of small and medium-sized enterprises in the tourism sector

In terms of **human capital** challenges**,** for the future development of tourism in Bosnia and Herzegovina, the tourism and hospitality education and training systems must be innovative and adapted to the needs of the tourism industry.There is an overarching need for educational institutions to better prepare graduates for the realities of the globalized market and the changing demands and demands of the workforce.

Some of the recommendations for the training of a more qualified workforce for the tourism sector:

- Curriculum needs to be strengthened and updated to match industry need;
- Curriculum needs to be designed to facilitate electives studies;
- Teaching methods need to be improved;
- Teachers need to update their knowledge of tourism;
- Training and teaching resources need to be improved;
- Education institutions need to strengthen international partnerships;
- Internship opportunities need to be provided for graduates;
- Practical placement experience strengthened in programs;
- Provide training for SME development in tourism.

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Social Development

Due to the complexity of the BH social system and administrative organisation, slowness in making practical decisions, lack of political will, and progressive action, Bosnia and Herzegovina is often a hostage to bad policies that are also reflected in the tourism industry. The tourism sector relies on human resources and local suppliers, thus creating new opportunities for the growth of income of micro, small and medium enterprises (MSMEs), as well as individuals living in or near important tourist centres.

Conclusions

Tourism is one of the most economically significant sectors for Bosnia and Herzegovina. After the stop period due to COVID-19 pandemic, tourism is restarting in different ways and new types are taking hold (such as the rediscovery of domestic tourism) and new skills are required (especially related to the digital field).

The main challenges for companies remain related to the lack of qualified personnel, low level of investment in the sector, lack of a strategic approach, inefficient infrastructure and an insufficiently stimulating environment for the development of SMEs.

The mismatch between education and the needs of tourism industries is also a significant obstacle to overcome.

Greece

Introduction

Tourism in Greece is considered the "heavy industry" of the country. Tourism generates one-quarter of Greece's GDP. According to the Alpha Bank report, pent-up demand for travel due to the two-year Covid-19 pandemic and large household savings, accumulated during the period of restrictive measures, have increased spending per trip, which is expected to lead to:

- Greece's GDP to continue its strong rise and approach levels significantly higher than the average of the European Union (EU-27)
- a boost to state coffers, this way allowing the government to offer additional support measures for households and businesses against rising prices due to the energy crisis.

Trends

Greece has been ranked third worldwide for its sea & sun tourism product, according to findings released by INSETE, the Greek Tourism Confederation's (SETE) research body. The study notes that Greece has managed to penetrate the world's 10 tourism markets such as Germany, Britain, France, Italy, the US, Netherlands, and Russia with its five key tourism products: namely **sea&sun, marine, cultural, city break and MICE tourism**.

According to global data cited by INSETE, for the 2015-2019 period, demand and the growth rate for sea & sun holidays are highest. A total of 226 million trips were carried out in pre-pandemic 2019 for sea & sun with travellers now looking to combine their holidays with sustainability-centred experiences. The INSETE study concludes that demand is also growing for agritourism, ecotourism, gastronomy, wellness, sports tourism, senior tourism, and for trips to visit relatives and friends.

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Skills gap

The tourism industry is radically shifting towards a technological evolution, the advent of AI and automation have already changed the way that many traditional organisations operate. Education providers should keep up with the ICT and AI developments and provide graduates with a clear understanding of how they may leverage new technologies to achieve a higher value for the visitors. For example, marketing courses should incorporate how AI should be used to achieve optimal segmentation. It should be noted that every change in the curriculum should have as its first consideration the sustainability in tourism and how it can be achieved through technology.

Challenges

Analysts pointed out that the impressive increase in tourist flows brings to the fore the need to readjust the business models of Greece's tourism sector, aiming for:

- sustainability against the threat of climate change and over tourism, in certain periods of time or destinations, and
- ensuring that the quality of the country's tourism product follows the modern trends (megatrends) with regard to demand.

One of the main challenges for companies is the lack of **human capital.**

The biggest shortages in Greece are in kitchens and service. According to a recent survey by the Institute of the Association of Greek Tourism Enterprises (INSETE), the problem with job vacancies this year appears slightly increased compared to 2021. The president of the Research Institute for Tourism has noted that the problem was apparent since 2019, when 20,000 empty vacancies had been registered, from which the 16,000 were finally filled. The pandemic was one of the main reasons for the increased staff shortages. Specifically, the shrinkage of the tourist seasons of 2020 and 2021, due to COVID-19 restrictive measures, created conditions of insecurity for the majority of employees of the sector and led many of them to change jobs. In addition, many foreigners who already worked in hotels left Greece and headed to other European countries or returned to their home countries.

Social Development

Other reasons contributing to the staff shortages are the poor work conditions, low salaries and the high cost of accommodation as well as the food and transportation for the employees who have to work away from their place of permanent residence. It should also be mentioned that the rise of short-term rental in Greece, in recent years, led to a sharp increase in the supply of accommodation beyond the "traditional hotel".

The short-term rental sector absorbed many employees, who prefer salaries, without insurance, then the lower insured salaries of hotels.

Conclusions

Tourism is one of the sectors that contributes most to the Greek GDP[5]**.** Despite the impact of the COVID-19 pandemic significant revenues are expected in the state coffers from the tourism sector.

The digital transformation, sustainable development & sustainability, over tourism, the sharing economy, social and demographic changes, emerging destinations, safety & crisis management, and the new

5 [The data used in this analysis are primarily based on official statistics of the INSETE, the Greek Tourism Confederation's (SETE) research body, Greek Ministry of Tourism, Alpha Bank]

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coronavirus (COVID-19) are the key trends and challenges for the global tourism industry and, hence, for Greek tourism.

Moreover, one of the main challenges for the sector is the shortage of personnel mainly as a consequence of the pandemic period and of socio-economic factors (low salaries, high cost of accommodation as well as the food and transportation etc..).

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Field survey analysis

We have identified a number of internationally relevant tourism sectors that can adequately represent the different companies in tourism industry around Europe.

The respondents were approached by the different partners, and each produced a summary of relevant data dividing information in the four identified topics (*Future Trends, Skills Gaps, Challenges and Social Development*). Participating partners: Spain, Portugal, Greece, Bosnia Herzegovina, Italy, The Netherlands and EfVET.

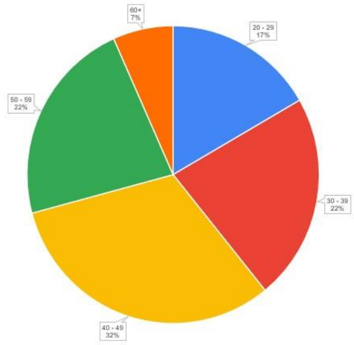
International field analysis

Introduction

This research will expose future trends in the tourism industry; analyse skills shortages and training needs, challenges and consequent changes in tourism.

A survey was sent by the TEF partners to different companies in the tourism Industry around Europe. We got 122 respondents. (Aim was 100).

Sectors:

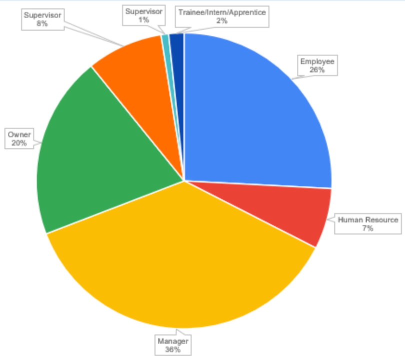


- 89 respondents work in sector: Accommodation
- 23 respondents work in sector: Events & Leisure
- 55 respondents work in sector: Restaurants, Catering, F&B
- 28 respondents work in sector: Touroperator & Travel Agencies
- 8 respondents work in sector: Cultural & historical Heritage
- 20 respondents work in sector: Training & Teaching (Other)
- 21 respondents word in other Tourism related sectors.

Countries which respondents are employed in:

- Spain 30%
- Portugal 14%
- Greece 11%
- Italy 13%
- Bosnia Herzegovina 7%
- The Netherlands 22%
- Finland 2%
- Belgium 1%

Age of respondents:



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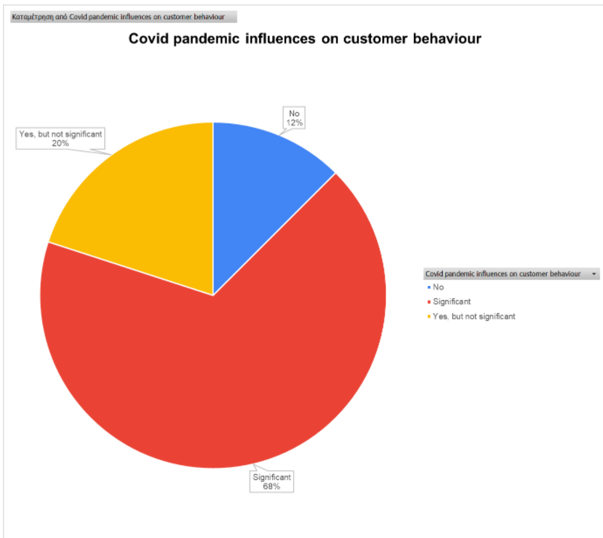
Respondent's experience in Tourism:

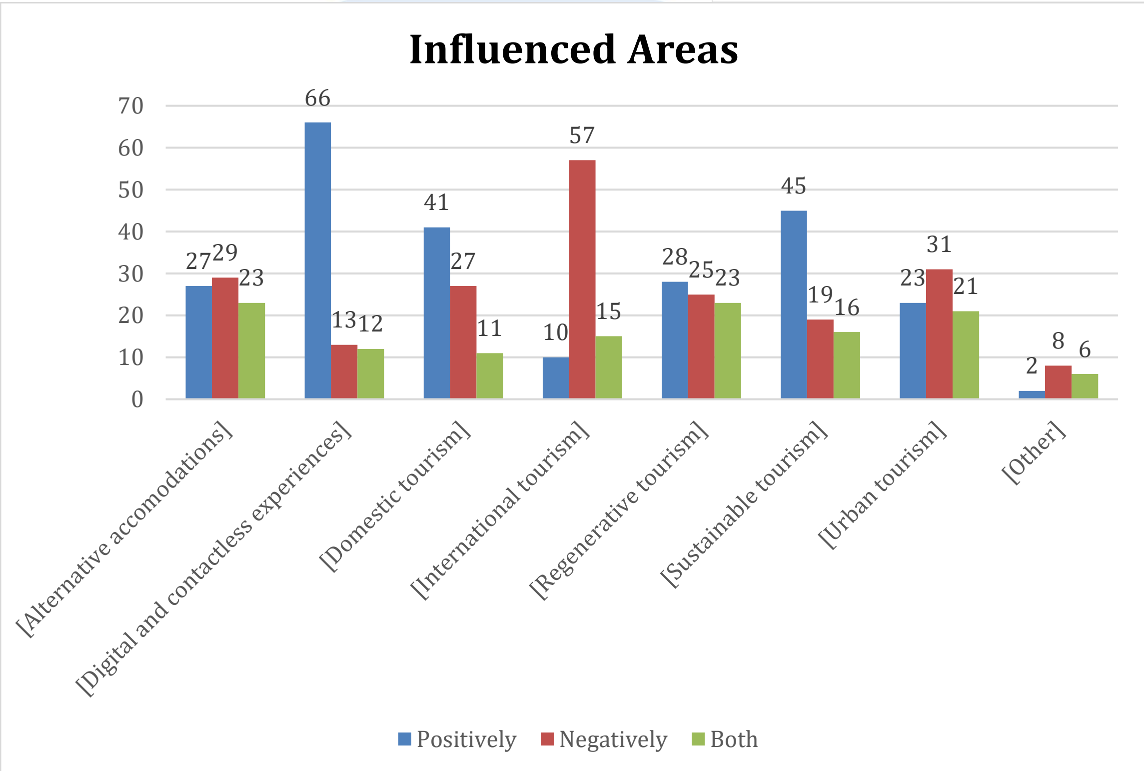
- Less then 1 year 2%
- 1 – 5 years 16%
- 6 – 10 years 21%
- 11 – 20 years 29%
- 21> years 31%

Out of all respondents, 65 % are on a fulltime contract and another 20% works 30-39 hours a week.

Covid'19

As expected we found out that the tourism industry has experienced immense influences throughout the pandemic. We all remember borders being closed, social distancing being introduced and social places like shops, restaurants and bars getting closed down. This research tells us the exact same story. Both International tourism as well as Urban tourism have felt the negative, 60 %, consequences of the pandemic, but it wasn't all negativities. For instance, Domestic tourism increased and our knowledge and experience with digital and contactless communication accelerated quickly.





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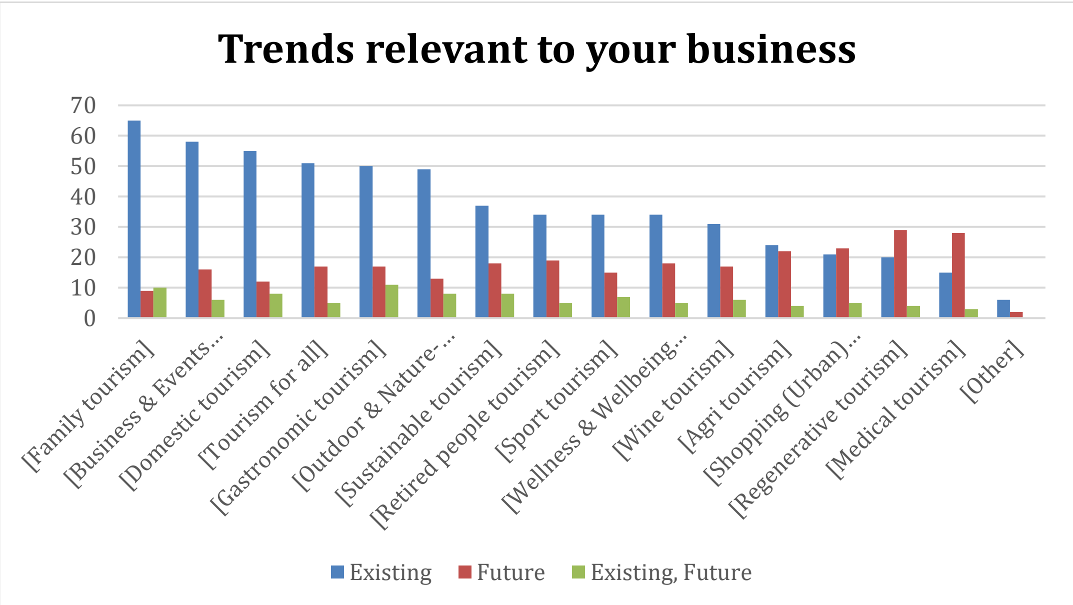
Changes in customer behaviour other than due to pandemic influence:

- Tourists are looking for more affordable prices and more outdoor stays.
- Social media, influencers, Instagram, YouTubers, Tik Tok and other apps, but also the war in Ukraine have a great impact on customer behaviour.
- Customers also have a lot more wishes and demands. We see more aggressive behaviour towards staff as well.
- We have noticed that guests increasingly value personal contact. Instead of just a quick transaction, they truly appreciate it when we take the time to have a chat and show interest in their holiday experience. It is heart-warming to see how much they appreciate it when we visit them briefly to ask how they are doing.
- Furthermore, we have observed that guests enjoy coming together and seeking social interaction during their stay. It is no longer just the children participating in the recreation program; parents are now actively engaging in special recreational activities for adults. They love to take part in workshops, sports activities, or relaxation sessions. It is notable that the current trend is focused on self-development and complete relaxation.
- Additionally, we have noticed that paying for professional activities is becoming increasingly common among our guests. They are willing to invest in high-quality experiences and recognize the value of professionally guided activities. Previously, the emphasis was mainly on free recreational opportunities, but we are witnessing a shift towards paying for unique and professional activities that add an extra dimension to their holiday experience.

Trends

Field research shows a variety of trends are existing within tourism at the moment. Most relevant trends are Family tourism, Business and Event tourism, Domestic tourism and. These trends are relevant to more than half of our respondents.

Nearly a third of the respondents noticed the following trends as relevant as well: Tourism for all, Gastronomic tourism and Outdoor & Nature tourism.



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We also see an increasing interest among the respondents in Regenerative tourism, Medical tourism and Agri tourism as well as Shopping (urban) tourism.

This last trend is the one trend we'd like to point out. More than half of the respondents take sustainability into account when selecting either new suppliers or staff. 75% of the companies support waste management and over a third support sustainable means of transport among staff and also a third make use of energy from sustainable or renewable energy sources.

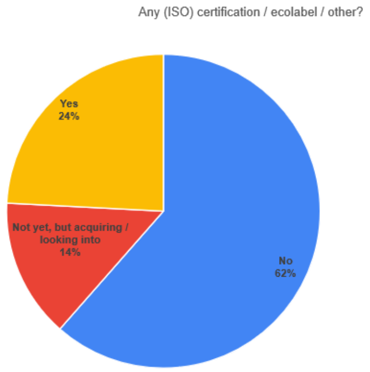
Sustainable companies:

58% Yes

28% Future

14% Existing Future

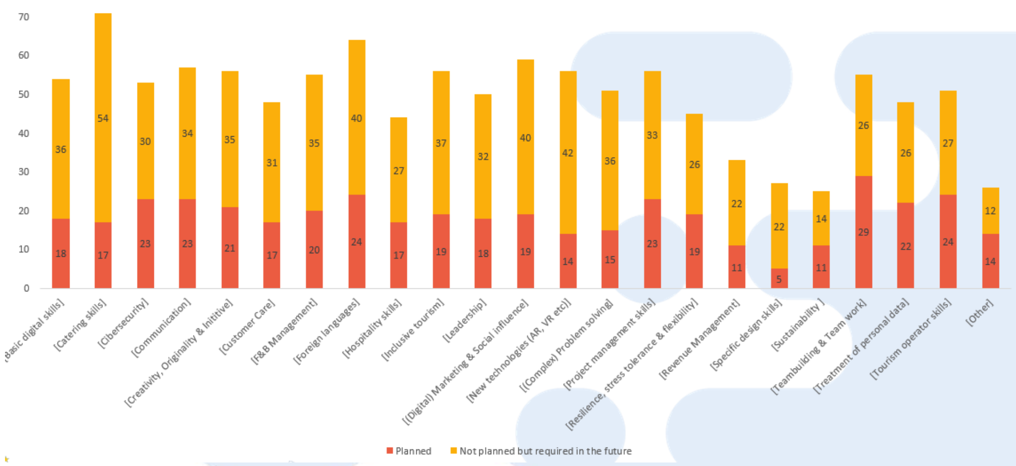
Only 1 out of every 4 companies has an ISO-certification/ Ecolabel.



Skills

Research shows that Catering, Foreign Languages, Digital marketing & Social Influences and New Technologies (AR/VR) are the most required skills to focus on for the (near) future. These subjects should have our priority regarding the courses we are going to develop.

Further needs for education or upskilling staff are: Inclusive Tourism, Basic Digital Skills, (Complex) Problem Solving, Creativity, Originality & Initiative and also F&B-management.



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Training planned or required per sector

Catering skills

- Accomodation 13 of 89 = 14,6%
- Events & Leisure 11 of 23 = 47,8%
- Restaurants/Catering, F&B 18 of 55 = 32,7%
- Touroperator & Travel Agencies 7 of 28 = 25%
- Cultural & historical Heritage 5 of 8 = 62,5%
- Training & Teaching (other) 1 of 20 = 5%
- Other Tourism related sectors 4 of 21 = 19%

Foreign languages

- 14 of 89 = 15,7%
- 15 of 23 = 65,25%
- 12 of 55 = 21,8%
- 8 of 28 = 28,6%
- 5 of 8 = 62,6%
- 2 of 20 = 10%
- 3 of 21 = 14,3%

Training planned or required per country

Catering skills

- Belgium 1 of 1 = 100%
- Bosnia & Herzegovina 1 of 8 = 12,5%
- Finland 3 of 3 = 100%
- Greece 5 of 13 = 38,5%
- Italy 7 of 16 = 43,8%
- Netherlands 4 of 26 = 15,4%
- Portugal 3 of 17 = 17,6%
- Spain 10 of 36 = 27,8%

Foreign languages

- Belgium 1 of 1 = 100%
- Bosnia & Herzegovina 3 of 8 = 37,5%
- Finland 2 of 3 = 66,7%
- Greece 6 of 13 = 46,2%
- Italy 5 of 16 = 31,3%
- Netherlands 5 of 26 = 19,3%
- Portugal 3 of 17 = 21,4%
- Spain 8 of 36 = 22,2%

Training planned or required per sector

Digital Marketing & Social Influences

- Accomodation 40 of 89 = 44,9%
- Events & Leisure 17 of 23 = 73,9%
- Restaurants/Catering, F&B 30 of 55 = 54,5%
- Touroperator & Travel Agencies 6 of 28 = 21,4%
- Cultural & historical Heritage 2 of 8 = 25%
- Training & Teaching (other) 8 of 20 = 40%
- Other Tourism related sectors 18 of 21 = 85,7%

New techologies (AR/VR)

- 13 of 89 = 14,6%
- 10 of 23 = 43,5%
- 12 of 55 = 21,8%
- 9 of 28 = 32,1%
- 5 of 8 = 62,5%
- 0 of 20 = 0%
- 5 of 21 = 23,8%

Training planned or required per country

Digital Marketing & Social Influences

- Belgium 0 of 1 = 0%
- Bosnia & Herzegovina 2 of 8 = 12,5%
- Finland 2 of 3 = 66,7%
- Greece 4 of 13 = 30,8%
- Italy 5 of 16 = 31,3%
- Netherlands 7 of 26 = 26,9%
- Portugal 7 of 17 = 11,2%
- Spain 7 of 36 = 19,4%

New techologies (AR/VR)

- Belgium 1 of 1 = 100%
- Bosnia & Herzegovina 0 of 8 = 0%
- Finland 1 of 3 = 33,3%
- Greece 7 of 13 = 53,8%
- Italy 5 of 16 = 31,3%
- Netherlands 6 of 26 = 23,1%
- Portugal 6 of 17 = 35,3%
- Spain 6 of 36 = 16,7%

Conclusion

What comes out of the research that strikes me as a reader is the following: The industry employs many professionals with a lot of experience. Most of the professionals are older (40 plus). It is also striking that many companies are not yet in the process of becoming climate neutral. This is in contrast to the pursuit of climate targets within the EU in 2030. The study also shows that there is no need for further training when it comes to environmentally friendly business practices and sustainability.

Training should be aimed more on Technology and Digital Marketing trends as well as Catering skills so that gives us a very clear direction in developing teaching material.

The fact a lot of respondents prefer the attention to foreign languages rather than other subjects is quite interesting to see.

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