

Lots of Choice

BY **ANDREW BLUM**

Anthony Townsend makes a habit of far-flung forecasts and predictions. When he considers the leisure sector, his interest is in what the zeitgeist and its trends imply about possible futures beyond the immediate and predictable ones that grab the headlines and media attention.

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This is a volatile moment for leisure, Townsend says, and not just because of the economy and oil price gyrations. If climate change is making people more sensitive to the carbon footprint of travel, technology is radically redefining the way they make their leisure choices. We caught up with him (via Skype) at the New York University Library, his temporary perch.

Will the leisure sector continue to grow?

Anthony Townsend: The World Tourism Organization's core forecast for 2020 says that if you combine the demographics of an aging population with the decline of leisure time in the U.S. and western Europe, there will be very little growth in tourism. Yet what this is provoking is a search for new markets. This is not so much about looking for new demographic or geographic categories as identifying new kinds of experiences and services. You can't just draw a circle on a map or say, "This is for the 18-to-25 crowd." The leisure sector is facing a highly diverse and fragmented clientele characterized by "diasporas"—groups of people from all over the world coming together for connected, information-rich, documented experiences. An example might be all of the really stressed-out people who flock to spas. Or bloggers—there are "Blogger Cruises" where they all blog together. Growth will come from these identity-based markets.

How do these new markets come into being?

AT: Travel is increasingly dominated by "meet-ups"—people gathering to extend relationships that began online. This is a fundamental aspect of life in our times. If you redraw the lines of leisure a bit, a huge set of what we previously called business travel is actually leisure travel—people getting together to build trust and bond so they can go back and collaborate remotely. Corporate retreats, professional meetings, and un-conferences

blur the line between work and leisure. The leisure sector is seeing a lot of opportunities to provide comfortable settings for these events—places where business travelers can feel healthy, stimulated, and creative.

Clay Shirky's new book, *Here Comes Everybody: The Power of Organizing Without Organizations*, points to the airline passenger rights movement as an example of a group that formed entirely online. No one thought of frustrated travelers as a market, but they define what people want. It gets really interesting when companies help structure these groups. They avoid dominating online forum discussions, but keep up with what's being said and look for ways to participate. The most successful are even providing tools to empower people as they join in.

What does this mean for the leisure sector?

AT: Everyone knows that the best travel information is on the web—it's the most reliable and up-to-date. Because the bottom-up stuff is so robust, the leisure sector is eager to leverage that cloud of information, experience, and interaction. The value will be in creating a unique experience that can't be rated, compared, or cross-indexed online. People are seeking a feeling of authenticity, and they want to be part of creating the experience. That's very different from going to an all-inclusive resort or taking a packaged tour.

Another change: The World Tourism Organization also forecasts a rise in much shorter, more frequent, more spontaneous, and inherently more regional kinds of tourism. Add to this new preference the international security situation and the rising cost of air travel, and there's an attractive business case for pulling closer in some of the things that lead people to travel far.

This isn't really new. I grew up in a regional destination—Cape May, New Jersey. Along with the rest of the Jersey shore, it went through a very long postwar decline when people started flying to Florida. But Cape May has something unique—the largest collection of Victorian architecture outside San Francisco. It's full of bed-and-breakfasts that are intimate and authentic, with inn-keepers connected to the town's history. There's a good performing arts scene. This is the kind of place that can make a go of expanding its market share. You could say the same thing about many other regional destinations in the U.S., like California wine country.

Can you create regional destinations from scratch?

AT: Discovery Cove in Orlando is a good example. By theme park standards, it's a tiny, tiny place, and incredibly expensive—a couple hundred dollars per person just to walk in the door. But inside, it's perfected nature, with coves, beaches, and dolphins you can swim with. It's authentic in the sense of being perfectly simulated. The explosion in indoor skiing is tapping the same desire. I would even put fitness centers and rock climbing walls in this category—immersive, tactile kinds of leisure experiences that you can basically find down the street.

There's a cyberspace angle here, too. If you look at the augmented reality technologies coming down the road—most of them being developed for military training—it's not farfetched that we might see something like a Holodeck, a simulated but convincingly real travel experience, appear as a franchise. If the costs come down, that's a totally realistic business proposition.

Do you see anything else on the horizon for leisure?

AT: Yes, medical tourism. It's about self-improvement, not about having fun, since many of the treatments are elective rather than therapeutic. If HMOs can get a better deal on certain kinds of services by having them done on a ship in international waters, that's going to change their business model. And if cruise ship companies realize that half or more of their passengers have a chronic disease—that's the U.S. average—they may wonder if they should become health-care providers, too, since they're doing it already. Sorting this out is going to be incredibly difficult. It's full of potential conflicts for both sectors, but it could also create a lot of value.

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