



# **Future Maker or Future Taker: Scenarios for Tourism in New Zealand**

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# Research Basis: Why?

- Current international events provide a poignant reminder that short-term strategies provide little sense of security unless they are firmly established within the context of **long-term perspectives and aspirations.**
- In New Zealand, scenario planning and the effective strategic planning that it allows could lead to a mitigation of visitor expenditure risk – each percentage point of which has an estimated future value of over \$6B. A goal of 10% risk mitigation would not be unreasonable.

# What are Scenarios?



**Scenarios are not about a single trend but the combination of trends as driving forces of change**

**Scenario Planning** enables organisations to understand their business environment and what it means to them through alternative views of the future. Scenarios identify some significant events, main actors and their motivations, and convey how the world functions. This new knowledge provides a basis for action. Scenarios have been used by *VisitScotland, Visit Wales, Singapore Tourist Board, UK Outbound Tourist Operators Council & Canadian Tourism Commission*

Scenario planning is about making sense of a complex world

# Scenario Attributes

- Not a forecast of the future
  - We do make economic assumptions about each scenario in this project
- Not linear extensions of the present
- Based upon possibilities that are grounded in current knowledge or experience
- Establish possible environments rather than detailed actions.

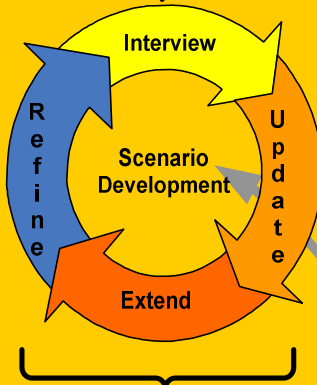
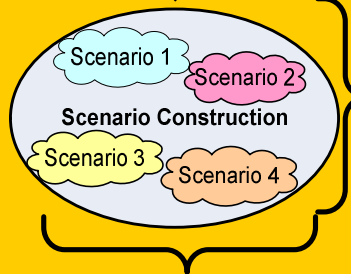
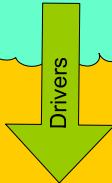
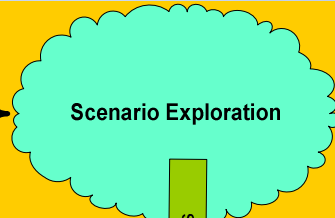
# The Future Maker Project

## Five Stages:

1. **Scenario Exploration** (Aug 09 – Apr 10)
2. **Scenario Construction** (Apr 10 – Dec 10)
3. **Quantification of Scenario Outcomes** (Sept 09 – Sept 11)
4. **Scenario Development** (Jan 11 – May 12)
5. **Communications** (May 12 – Nov 12)

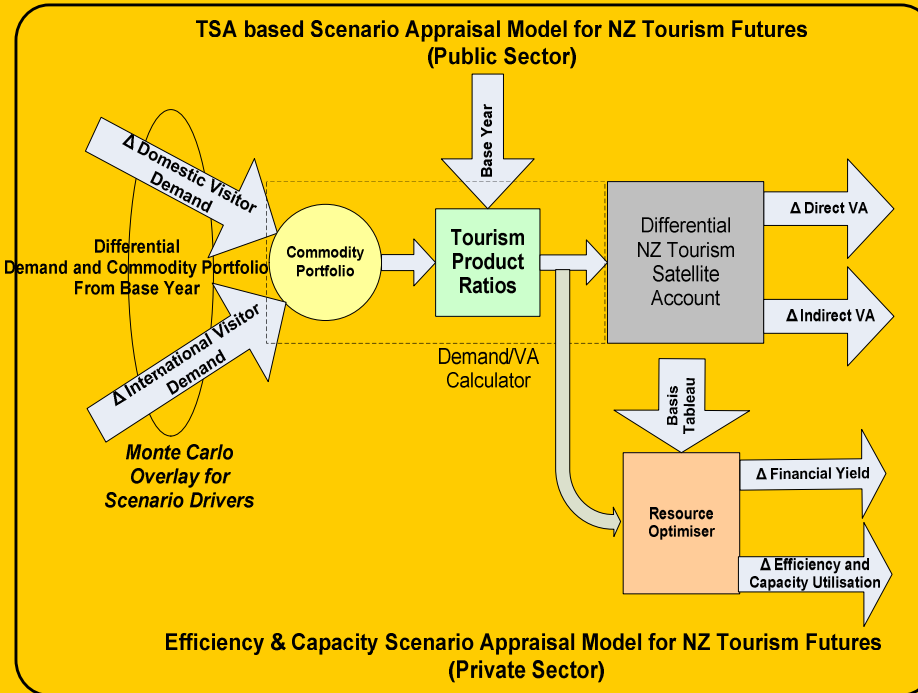
# The Future Maker Project

- Existing Stakeholder Scenarios
- Literature
- Remarkable People
- Existing Economic & Financial Research
- Stakeholder Contributions



Publish Results to Stakeholders and Academia

## Scenario Analysis



# Stage 1: Scenario Exploration

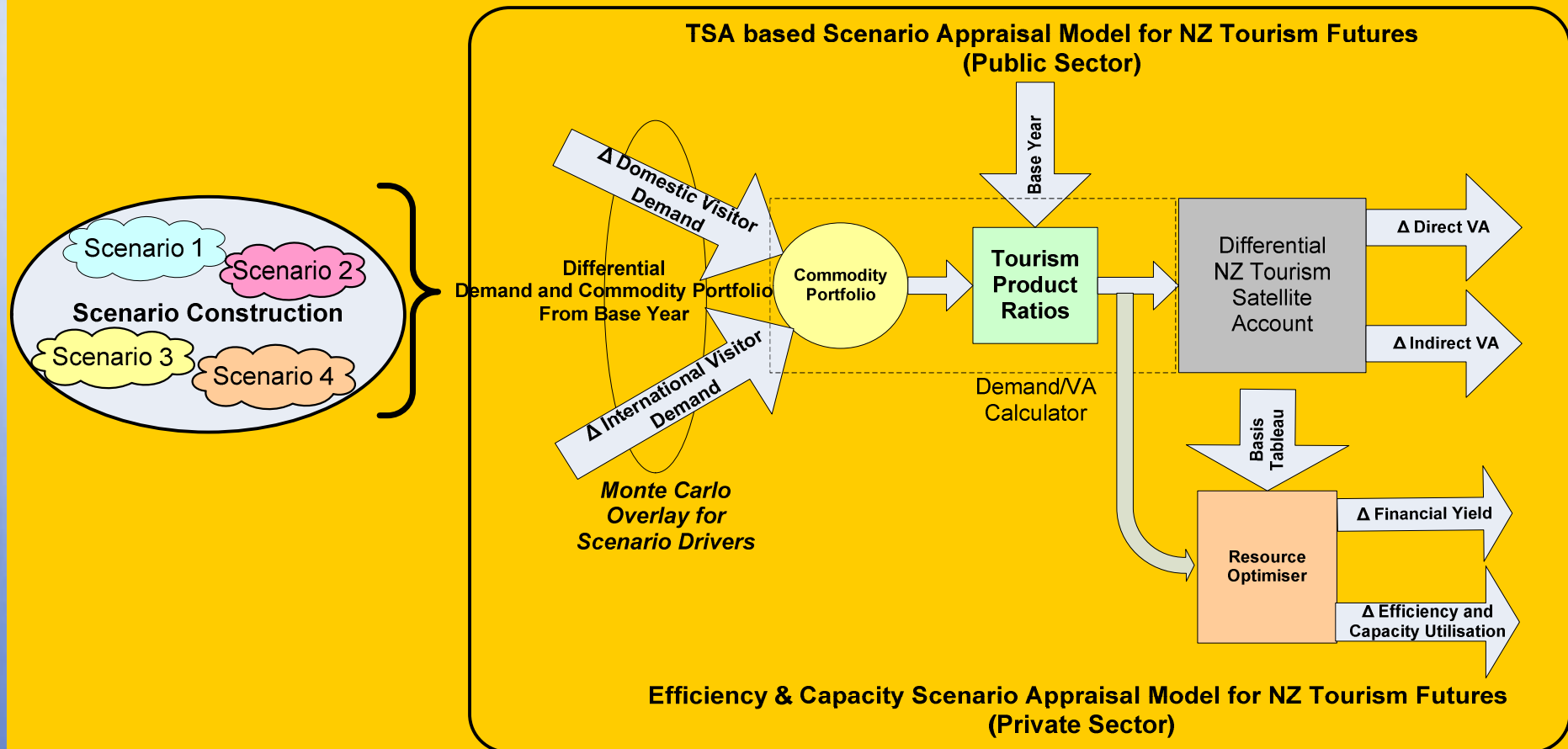
- **Establishment of a steering group**
- **Interviewing** key players and widening the conversation:
- **Reviewing literature** through pursuit of key themes and concepts that emerge from initial interviews
- **Scoping paper**, synergizing interviews and literature, that identifies key drivers and impact on tourism.
- **Measure the importance of the drivers** through workshops in order to prioritise and evaluate the drivers that establishes key critical uncertainties

# Stage 2: Scenario Construction

- Construction of a timeline of change based upon identified drivers and pace of change i.e., demography, climate change etc
- Construction of four scenarios that paint a picture of the future of tourism in New Zealand in 2050 using a layered approach based upon the following elements:
  - World macro environment and what will New Zealand look like?
  - Supply side structure of New Zealand's tourism industry
  - Value-based stories of future tourists
  - A quantification guide to the future using two models: a differential Tourism Satellite Account for the public sector and an Efficiency-Capacity-Optimiser model for the private sector
- Testing the scenarios through multiple workshops
  - To test validity, plausibility, creativity and appropriateness of the scenarios with stakeholder, players and bystanders
  - To test and develop a series of economic assumptions
  - Identify key dilemmas for New Zealand's industry from the scenarios
  - Identification of the social values associated with the scenario's that shapes how tourism in New Zealand is talked about and played out
  - The establishment strategic implications for tourism and stakeholders
  - Establish actionable responses
  - The involvement of parallel study teams in the workshops to communicate and exchange findings into scenarios
- Link to other FRST projects to normalise findings to date.

# Stage 3: Quantification

## Scenario Analysis



# Stage 4: Scenario Development

- **Interviewing** 20 remarkable people
- **Updating** the scenarios considering the changes at Stages 2 & 3
- **Updating** the scenarios given the publication of new knowledge and literature
- **Integrating Parallel Studies:** updating the scenarios considering the publication and engagement of climate change and aviation through workshops
- **Extending the conversation** with outside and associated groups through workshops i.e. Maori; Creative industries; Rural communities
- **Producing** four think pieces exploring the scenarios for different stakeholders
- **Testing and refining** the scenarios as in Stage 2 through workshops that capture tourism sector clusters and regions.

# Stage 5: Communications

- **Producing** a final report
- **Implementation** of a communications strategy with media and industry, based upon the following ideas;
  - Web communication of research content (print, image, voice and video)
  - A themed tool kit: ‘using the scenarios within a range of organisations’
  - Undertaking 3 industry presentations at key events i.e., TRENZ; ITOC etc.
  - Publishing 4 research papers for the academic community
  - Media queries etc.

# Discussion

