

Digital tourism in the European Union

SUMMARY

Tourism is a major economic activity in the European Union, contributing about 10 % to the Union's gross domestic product and employing up to 26 million people through its direct, indirect and induced impact on the economy. While it is true that the EU is the global leader in terms of international tourist arrivals and receipts, fast-growing tourism to some other destinations is challenging this status quo.

The EU tourism sector is also facing changes brought on by the digital revolution. Many customers nowadays plan and book trips on their own through online travel agencies, search and meta-search engines, and making increasing use of mobile technology and apps. Some of them share their travel experiences through personal exchanges on social media platforms, travel blogs or commercial channels such as TripAdvisor. Most businesses serving tourists have understood the need to adapt their products to the changes in the way the market works, and consequently have launched various online and automatic services. However, some of these changes, such as the emergence of online platforms on which people propose to share temporarily with tourists what they own or what they do, have proved more difficult to adapt to.

Although the EU has only limited competence in the field of tourism, it has an impact on digital tourism through various policies related to other sectors. In particular, the digital single market strategy has had a huge impact on tourism through various legislative acts. The EU supports digital tourism further through various funds and non-legislative initiatives such as forums, conferences and webinars.



In this Briefing

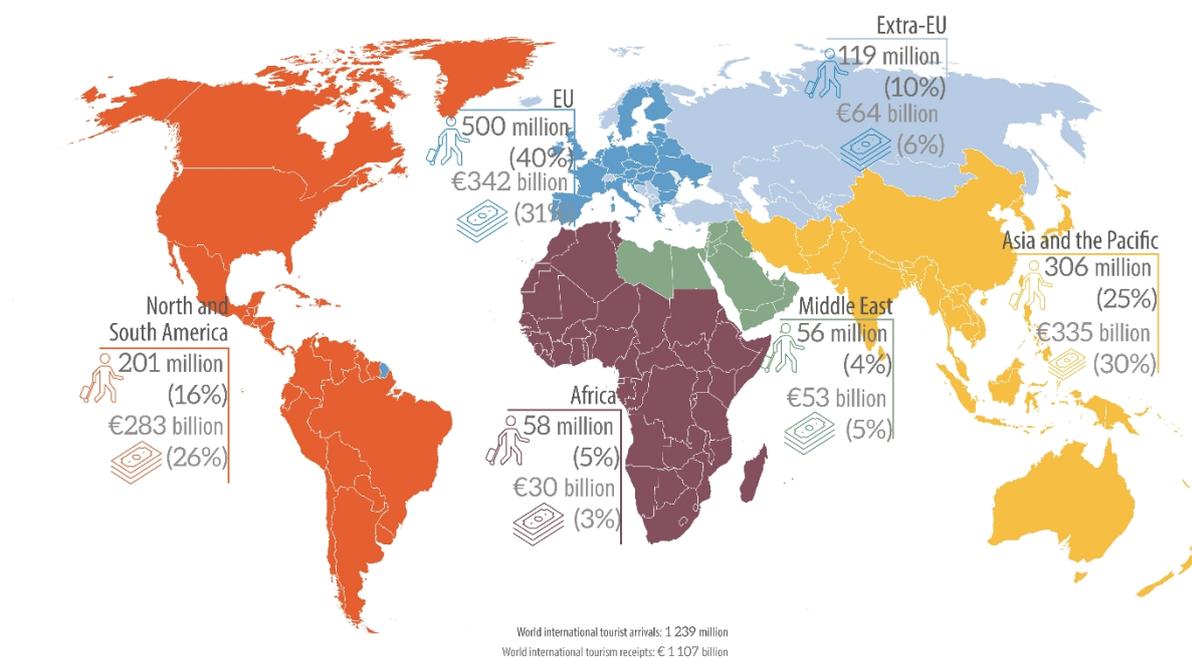
- Context
- Recent trends in digital tourism
- Regulatory framework in the EU
- EU policies impacting digital tourism
- EU funding

Context

Tourism¹ plays an increasingly important role in the EU economy. As mentioned in a 2018 United Nations World Tourism Organization (UNWTO) [publication](#) on EU tourism trends, tourism contributes about 10 % to the EU's gross domestic product and creates jobs for up to 26 million people through its direct, indirect² and induced impact³ on the economy. Based on [Eurostat](#) data published in 2015, it can be concluded that one in ten enterprises in the European non-financial business economy belong to the tourism industries; most of these are small and medium-sized enterprises; and the tourism job market attracts primarily [young](#) people and women.

As shown in Figure 1, the EU is the most visited tourist destination in the world. The EU-28 received 500 million international tourist arrivals⁴ in 2016, which is 4 % more than in 2015. Growth in tourism receipts in the same year (3 %) followed growth in international tourist arrivals, although at a slightly more moderate pace. On average, every inhabitant of the EU earned €671 from international tourism in 2016, well above the world average of €151 per capita.

Figure 1 – International tourism in 2016 (in terms of international tourist arrivals and international tourism receipts)



Source: [UNWTO](#), 2018.

Data from the Organisation for Economic Co-operation and Development (OECD) and Eurostat further confirm that EU tourism is in good shape. According to the [OECD](#), the growth of international tourist arrivals in the EU-28 in 2016 was about 1 % higher than global growth. This growth was unevenly distributed among EU countries, with some recording double-digit growth in 2016 or/and between 2012 and 2016 (such as Romania), while others recorded a decrease (such as Belgium and Sweden). This growth is also visible from the statistics on nights spent in tourist accommodation establishments. According to [Eurostat data](#) published in January 2018, the number of nights spent in tourist accommodation in the EU rose by 5.1 % in 2017 compared to 2016, totalling 3.2 billion.

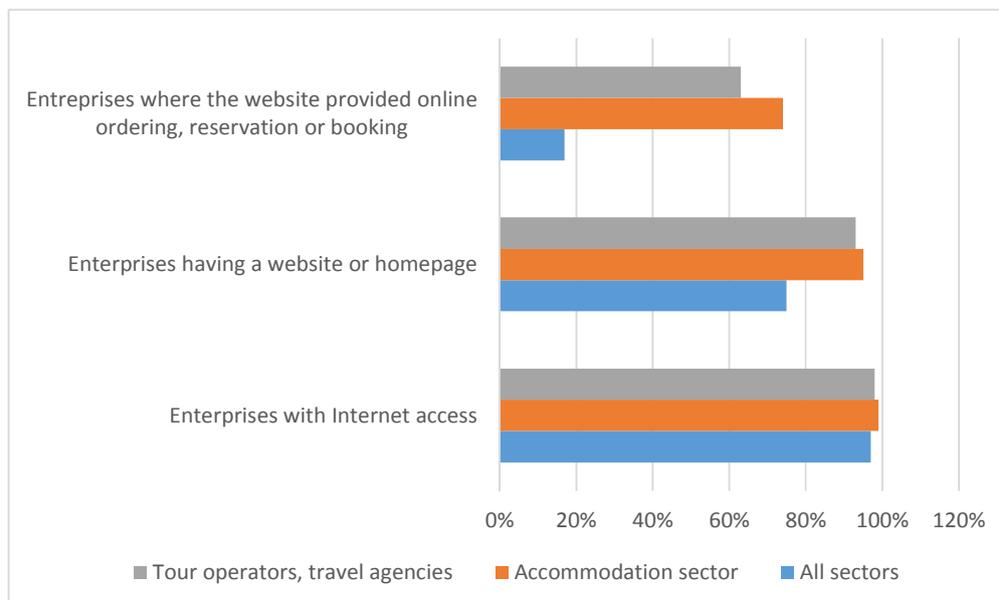
However, tourism in some other regions in the world is growing even faster. Asia and Africa [received](#) 8 % more international tourist arrivals in 2016 than in the previous year. At the same time, the EU's market share in terms of international tourist arrivals and receipts had already been shrinking for some time. Whereas by the end of the 1990s the EU was attracting more than [half](#) of the world's tourists, nowadays this figure is a little more than 40 %.

Recent trends in digital tourism

The digital revolution has had a profound impact on tourism in the EU. While in the past many customers booked their trips in high-street travel agencies, nowadays they tend to plan and book trips on their own through online travel agencies or search and meta-search engines, and are making increasing use of mobile technology and apps. Digital technologies have also provided people an opportunity to share their travel experiences through personal exchanges on social media platforms, travel blogs or through commercial channels such as TripAdvisor. Social media platforms have been particularly influential in shaping younger people's tourism-related decisions. Furthermore, real-time software is making it easier for tourists to travel to places whose language they do not speak.

Most establishments serving tourists have understood the need to use digital technologies. The majority of tourism businesses have access to the internet and have a website or a homepage. As Figure 2 shows, in 2015 99 % of businesses in the EU tourist accommodation sector had access to the internet, 95 % had a website or a homepage, and 74 % provided online reservation or booking options.

Figure 2 – Share of enterprises by use of internet and economic activity in EU-28 countries in 2015



Source: [Eurostat](#), 2016.

Many undertakings serving tourist needs also offer various online and automated services. Most airports, in major European cities in particular, nowadays offer [online check-in](#), self-check-in kiosks and mobile boarding passes. Automation and [robots](#) are also used in the hospitality sector, for instance, to allow guests to check in, to answer customers' questions, to offer [information](#) on local attractions, weather or flights, or to offer virtual tours of a hotel. Some restaurants even use [robots](#) to serve food. [Others](#) have replaced their paper menus with tablets. Several museums in Europe use [virtual](#) and/or augmented reality⁵ to attract more visitors. For instance, the [International Centre for Cave Art](#) in south-west France recreates precisely the atmosphere of the Lascaux caves' interior and paintings. The centre also offers a 3D animated film which allows to revisit past climate cycles and their consequences for people and animals.

The tourism sector has also started using driverless vehicles. For example, the Caves of Han in Belgium launched a [pilot project](#) in September 2018 to transport visitors from the car-park to the entrance of the caves with a driverless shuttle bus.

While the digital revolution has brought some conveniences to tourists and to travel and tourism businesses, it has also offered them challenges, in particular with the emergence of the collaborative economy (also referred to as the sharing, shared, peer or access economy).⁶ A growing number of individuals are proposing to temporarily [share](#) with tourists what they own (for example, their house or car) or what they do (for example, dining or excursions) via online platforms. This growth has been most notable in the accommodation and transport sector, but has also affected other areas such as excursions and meals. Home-sharing platforms are now significant competitors to the hotel industry, and car-sharing platforms to taxis. However, concerns have been raised over the quality and regulation of these online platforms. Some EU countries have tried to regulate or ban them, while others are still thinking on how to best respond to this recent trend.

Regulatory framework in the EU

The EU has only limited competence in the field of tourism. According to Article 6 of the [Treaty on the Functioning of the European Union](#) (TFEU), the EU can 'support, coordinate or supplement the actions of the Member States', but cannot harmonise the laws and regulations of the Member States in the field of tourism. Article 195 TFEU specifies that EU action in the field of tourism is aimed at 'encouraging the creation of a favourable environment for the development of undertakings in this sector' and 'promoting cooperation between the Member States, particularly by the exchange of good practice'. The EU can, for example, help to improve digital skills in the tourism sector or develop links between national or regional tourism initiatives. The EU can also have an impact on digital tourism through other policy areas (such as transport) in which it has exclusive or shared competence with the Member States.

The EU institutions have recognised the importance of digitisation⁷ in tourism in various policy documents on tourism. In its 2010 [strategy on tourism](#), the Commission emphasised the importance of developing innovation in tourism through awareness-raising and partnership initiatives as well as the use of various national and EU programmes. The Commission recognised the need to make the relevant EU financial instruments more easily accessible to the various tourism operators. It announced its intention to launch a platform to help tourism businesses to adapt to market developments and improve their competitiveness by making the maximum use of possible synergies between ICT and tourism. This platform, called [tourism business portal](#), was created as part of the tourism website of the Commission's DG GROW (Internal Market, Industry, Entrepreneurship and SMEs). It provides a host of information for EU tourism enterprises (for instance, on e-commerce) and includes a link to a [digital toolbox](#). The European Parliament, the Council, the European Committee of the Regions and the European Economic and Social Committee [welcomed](#) the 2010 strategy on tourism and called for the actions announced in it to be financed adequately.

In its 2014 [European strategy for more growth and jobs in coastal and maritime tourism](#), the Commission invited 'Member States and regional and local authorities to encourage internet connectivity and promote electronic marketing tools' and the tourism industry to 'create and promote open online courses to upgrade or re-orient skills in the coastal and maritime field'. The Commission further announced its plan to 'ensure that coastal and maritime tourism is included in other EU policies like IT connectivity, sustainable transport, safety issues and freedom of movement for workers'.

Following the adoption of the 2010 strategy on tourism, the Commission organised various live events ([webinars](#)) on digital tourism, focused on topics such as digital marketing strategy, online reputation, social media and use of smartphones in tourism. In 2015, the Commission organised the kick-off meeting of the [digital tourism network](#): a forum where tourism industry stakeholders from

both public and private sectors in the EU can discuss ways to boost innovation in tourism enterprises, especially small and medium-sized ones. In addition, the Commission hosts a [virtual tourism observatory](#) that supports policy-makers and businesses in developing better strategies for the European tourism sector. The Commission further supports various online campaigns (such as the [Europe: Wonder Is All Around](#) and [visiteurope.com](#) websites) to promote Europe as a tourist destination within and beyond its boundaries.

European Parliament

The Parliament has repeatedly emphasised the importance of digital tourism in its various policy papers as well as during discussions both in its Committee on Transport and Tourism, and its Tourism Intergroup (the Parliament's forum for discussing specific tourism-related matters). It has also highlighted the issue at conferences organised on its premises.

In a 2015 [resolution](#) on new challenges and concepts for the promotion of tourism in Europe (rapporteur: Isabella De Monte, S&D, Italy), Parliament made a number of suggestions on digitalisation in tourism. Namely, it called on the Commission to cooperate with various actors to find best solutions to encourage travel and tourism companies to adopt and use digital tools more efficiently. It welcomed the IT tools already offered by the Commission, such as the tourism business portal, but encouraged the Commission to translate the portal into all EU languages. The Parliament further called on the Commission to ensure that service providers are given fair and equal access to relevant data by travel and transport operators in order to facilitate the deployment of digital multimodal information and ticketing services. Lastly, the Parliament called on the Member States to provide free wi-fi in tourism areas and to encourage access to high-speed broadband.

Tourism innovation and the digital economy were also among the main topics discussed during a [high-level conference on tourism](#) held on 27 September 2017 in the Parliament. In his [opening speech](#), European Parliament President, Antonio Tajani, recalled that tourism, although affected by the digital revolution, still remains labour-intensive. The president called on the EU to focus its tourism-related efforts in four areas: attracting more investment in the sector and improving the business environment; promoting adequate training; managing the digital revolution; and cooperating more closely with various actors to promote Europe on international markets.

EU policies impacting digital tourism

Digital Single Market strategy

One of the EU strategies having the greatest impact on digital tourism is the [digital single market strategy](#) that the European Commission proposed in May 2015 (the digital single market being one of the ten [priority areas](#) of the current Juncker Commission). The [aim](#) of this strategy is 'to ensure access to online activities for individuals and businesses under conditions of fair competition, consumer and data protection, removing geo-blocking and copyright issues'. It improves internet accessibility in terms of areas covered and cost – something both tourists as well as tourism businesses can benefit from.

[Regulation 2018/302](#) on addressing unjustified geo-blocking⁸ and other forms of discrimination forbids [undertakings](#), such as hotel accommodation and car rental providers, leisure parks and music festival organisers, to discriminate between customers based on their nationality or location. They are also not allowed to block or limit customers' access to their online interface for reasons of nationality or location. If they block or limit access or redirect customers to a different version of their online interface, they have to provide an explanation for doing so. Traders are still free to offer different conditions, including prices, to certain groups of customers in specific areas. The regulation does not cover some types of online content such as videos, e-books and music-streaming services.

In the framework of the digital single market strategy, the EU has also [removed roaming charges](#). Since June 2017, Europeans travelling within the EU pay domestic prices for roaming calls, text

messages and data. They can also enjoy unlimited calls and messages as if they were in their home country. However, mobile operators may apply a limit on surfing the internet while roaming. Also, people spending more than four months abroad may be asked to pay a small surcharge for roaming.

Tourists wishing to connect to the internet during their travel in the EU have further profited from [Regulation 2017/1953](#) on the promotion of internet connectivity in local communities. The regulation supports access to high-quality free local wireless connectivity in public places, such as libraries, hospitals and outdoor public spaces, in particular in rural and remote areas. More concretely, the regulation explains under what conditions these public places can apply for funding for the installation of new wireless access points.

Tourism businesses that rely on search engines for attracting people to their websites might also benefit from EU action to create fair and innovation-friendly conditions for online platforms (such as search engines, social media, collaborative economy platforms and price-comparison websites), which play an increasingly central role in tourism, impacting the sales of most tourism businesses. However, such a heavy reliance on online platforms can potentially harm these businesses. As one way to remedy the situation, the Commission proposed in April 2018 to adopt a [regulation on promoting fairness and transparency for business users of online intermediation services](#). It contains a series of [measures](#) to increase transparency and fairness in online platforms, for instance by obliging them to reveal the criteria they use to display search results and explain why they have removed a listing. The proposal still has to be voted upon in the Parliament and the Council.

Strategy on connectivity for a European gigabit society

Another EU strategy that could offer people more affordable and faster internet while travelling was introduced in a Commission communication on [Connectivity for a Competitive Digital Single Market - Towards a European Gigabit Society](#), adopted in September 2016. It sets out the Commission's view on the importance of high-performance internet connectivity for the digital single market and the need for Europe to deploy the networks required for its digital future. The strategy sets various objectives for internet connectivity, one such being that by 2025 all major terrestrial transport paths and urban areas should have 5G coverage.

Package Travel Directive

In order to take into account the changes brought by the digital revolution to package holidays, in 2015 the EU adopted [Directive 2015/2302 on package travel and linked travel arrangements](#) (the Package Travel Directive). To address the fact that tourists often package travel services in a customised way online, and that many such packages were either in a legal 'grey zone' or were not covered by EU legislation at all, the directive adapted the scope of protection of package travellers to take account of developments in digital tourism, while at the same time enhancing transparency and increasing legal certainty. Its provisions apply to trips lasting more than 24 hours or including an overnight stay, and combining at least two different types of travel service (transport, accommodation, car rental, etc.) charged at an inclusive price.

The [Package Travel Directive](#) gives travellers a right to receive information on the main aspects of the trip, such as the organiser's contact details, passport and health requirements, and optional travel insurance on the organiser's website or in brochures. However, in the light of the digital revolution, the EU rules no longer require laying down specific rules on brochures. Package travellers also have a right to transfer the package to someone else, cancel the package deal if its price rises prior to departure beyond a certain limit, and a right to assistance if they get into difficulties during their trip.

EU funding

Although there is no specific EU fund dedicated to digital tourism as such, a number of EU funds can help tourism bodies (such as public bodies, companies, research organisations and non-

governmental organisations) to apply digital technologies in tourism. The Commission has issued a [guide for EU funding for the tourism sector \(2014-2020\)](#). It gives an overview of various funding sources and offers practical tips for applying. The European Parliamentary Research Service (EPRS) has also prepared a [guide](#) to EU funding 2014-2020, covering major sources of EU funding by sector, including tourism. Below are some examples of digital tourism projects that the EU has supported in recent years.

The [European Regional Development Fund](#) (ERDF), which aims to strengthen economic and social cohesion in the EU, helps to improve the competitiveness and quality of tourism at regional and local levels, by supporting the development of tourism-related digital products such as tourism apps and online platforms. As an example, ERDF helped to create a free app called [WWII Heritage](#), which leads visitors on a cross-border discovery route in the historical sites of World War II in Belgium, France and the United Kingdom.

Digital-tourism-related projects have also received financial support from the [Connecting Europe Facility](#) (CEF) – an EU funding instrument that promotes growth, jobs and competitiveness through targeted infrastructure investment at European level. For instance, in April 2018 the Commission granted [€3.8 million](#) to eight European projects covering 18 EU Member States. [Europeana](#) is an online library, museum and archive that offers access to over 50 million items including image, text, sound, video and 3D material from libraries, archives, museums, galleries and audiovisual collections across Europe.

Moreover, the EU has funded the use of digital tools in cultural heritage sites. In the years 2011-2014p it contributed €2 859 712 from the [Seventh research framework programme](#) to a project called [CHESS](#). The project allows tourists to use advanced media and interactive mobile content such as 3D and augmented reality in various museums across Europe. The project has been applied in different types of cultural heritage sites such as the new Acropolis Museum in Athens and the Cité de l'Espace in Toulouse.

In addition, from 2014 to 2016 the EU allocated [€273 555](#) from the Erasmus+ programme⁹ for the creation of a digital platform for tourist guides called [Innoguide 2.0](#). The platform provides e-learning modules and videos with good practice examples for guides and guide trainers, and a toolkit for guide organisations.

Since the launch of discussions over the [multiannual financial framework 2021-2027](#) (MFF), the question of a separate budget line for tourism has been raised again. In a 2018 [resolution](#) on the MFF, the Parliament called 'for the creation of a specific budget line for tourism in the next MFF, in order to move towards a genuine European tourism policy that can significantly contribute to growth and job creation'. The Parliament president reiterated this call in his [statement](#) on the Parliament's plenary resolution on the Commission proposal for the 2021-2027 MFF.

MAIN REFERENCES

OECD, [OECD Tourism Trends and Policies 2018](#), 2018.

UNWTO, [European Union Tourism Trends](#), 2018.

European Commission, [Guide on EU funding for the tourism sector, 2014-2020](#), October 2015.

Tourism-related apps created by the EU

The EU has created [several apps](#) that can help tourists during their trips in the EU. An app named **Passenger Rights** helps people to know their rights when travelling in the EU by air, rail, bus or boat. **Going Abroad** gives an overview of the most important road safety rules in the individual EU Member States. **MyNatura2000** gives information about the [Natura 2000](#) protected areas.

ENDNOTES

- ¹ Over time, different organisations have tried to define tourism. For instance, [Eurostat](#) has defined tourism as 'the activity of visitors taking a trip to a main destination outside the usual environment, for less than a year, for any main purpose, including business, leisure or other personal purpose, other than to be employed by a resident entity in the place visited'. The [United Nations](#) has defined tourism in almost the same way, as an activity of visitors, further specifying that a visitor is a traveller 'taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited'.
- ² [Goods and services](#) that the tourism industry buys from its suppliers.
- ³ [Expenditure](#) by employees from salaries paid by companies in direct contact with tourists, and consumption by companies that have benefited directly or indirectly from expenditure in tourism.
- ⁴ Overnight visitors.
- ⁵ Variation of virtual reality where the reality is enhanced.
- ⁶ The Commission defines collaborative economy in its 2016 [communication](#) as 'business models where activities are facilitated by collaborative platforms that create an open marketplace for the temporary usage of goods or services often provided by private individuals [...] Collaborative economy transactions generally do not involve a change of ownership and can be carried out for profit or not-for-profit'.
- ⁷ According to [Unesco](#), digitisation is 'the creation of digital objects from physical, analogue originals by means of a scanner, camera or other electronic device'.
- ⁸ [Geo-blocking](#) refers to the practice of restricting or blocking internet content to particular geographic locations or applying different general conditions based on factors such as nationality, place of residence or temporary location.
- ⁹ [EU programme](#) for education, training, youth and sport.

DISCLAIMER AND COPYRIGHT

This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2018.

Photo credits: © sebra / Fotolia.

eprs@ep.europa.eu (contact)

www.eprs.ep.parl.union.eu (intranet)

www.europarl.europa.eu/thinktank (internet)

<http://epthinktank.eu> (blog)

