



# Sectoral perspective on bridging the digital divide – the case of tourism

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17 PARTNERSHIPS  
FOR THE GOALS



# Tourism, third export earnings category in 2015



Source: World Tourism Organization (UNWTO), 2016

# Tourism matters : here's why



## WHY TOURISM MATTERS

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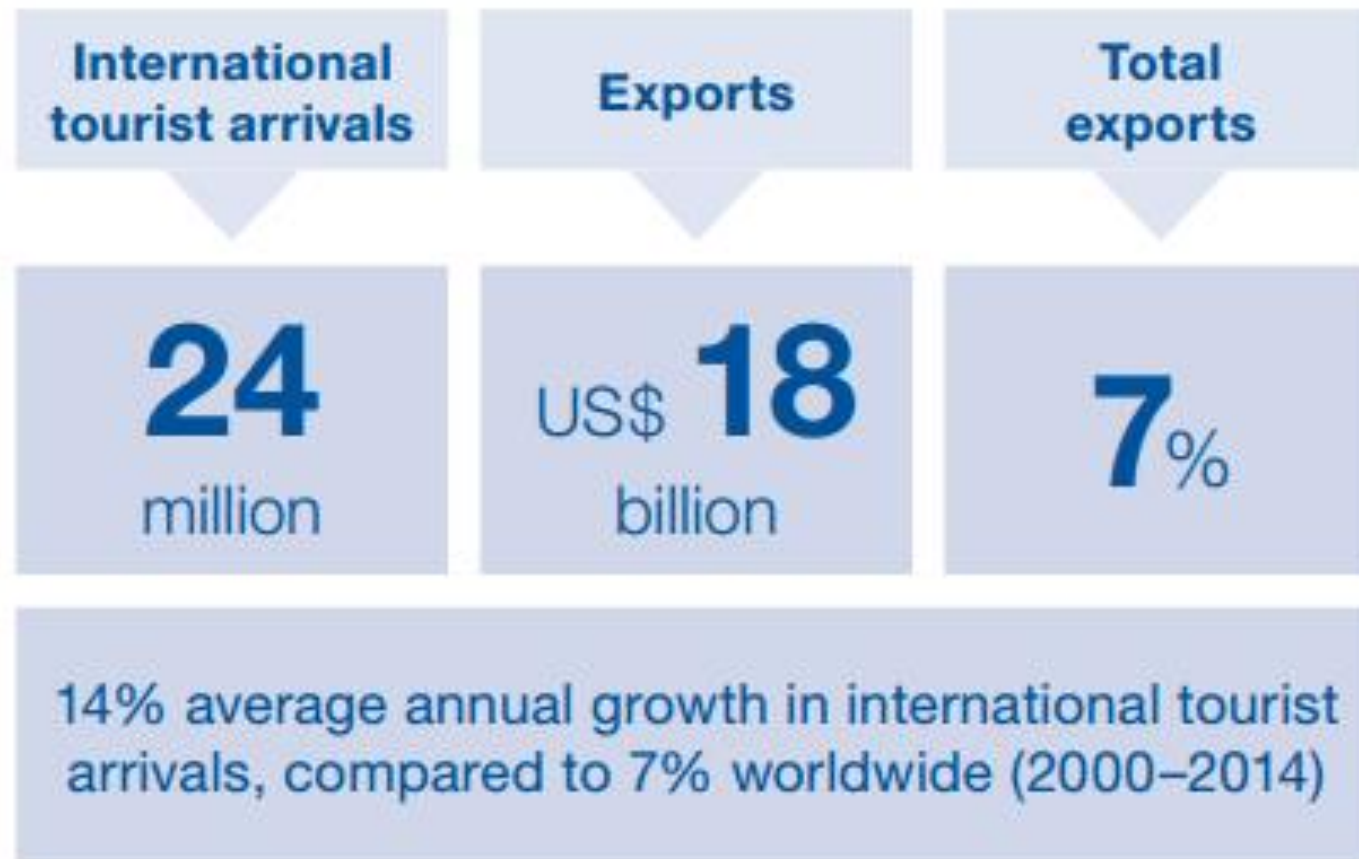


# 2015 Int. Tourism Arrivals – World



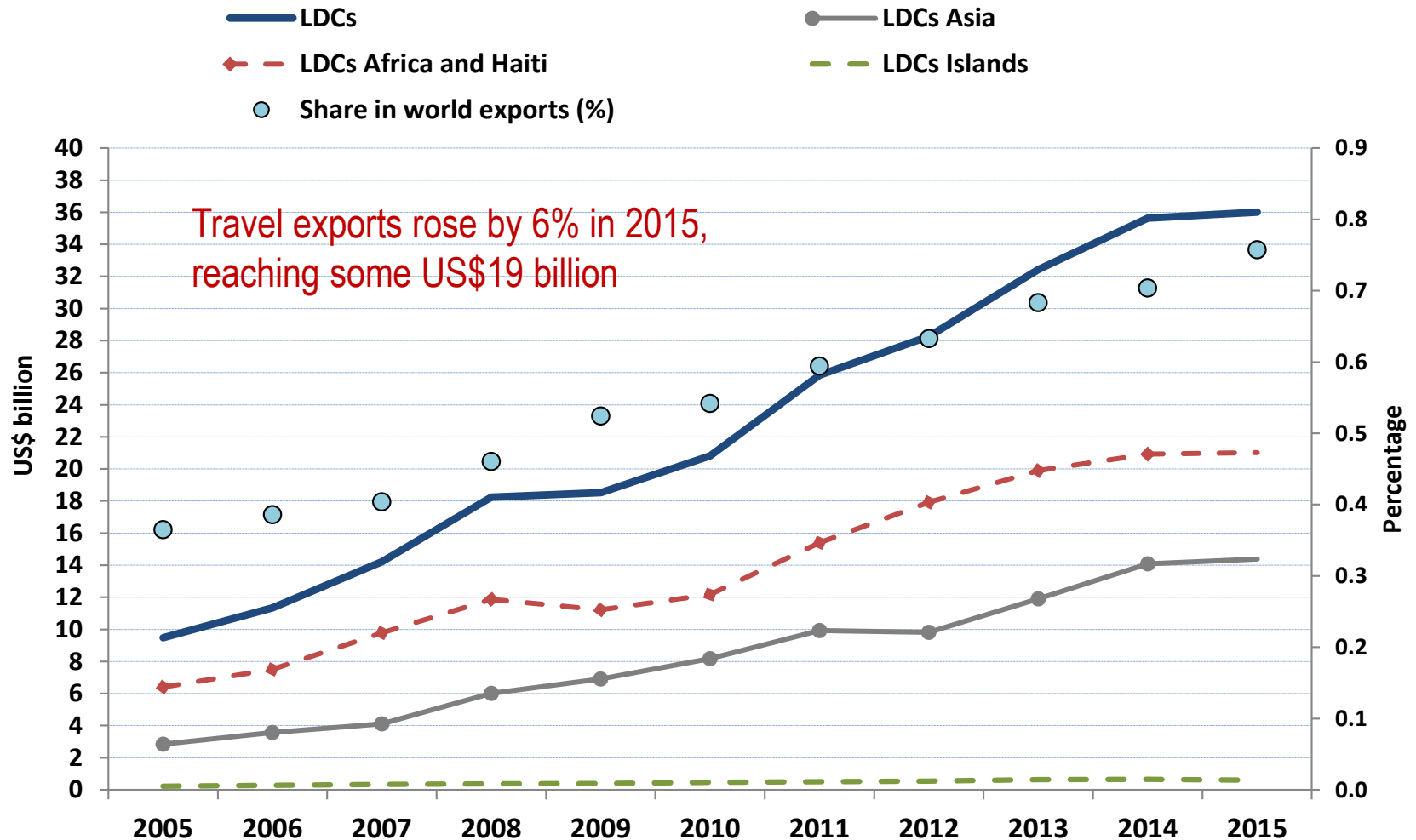
# Travel and tourism to trade in services (LDCs)

## International tourism and LDCs, 2014



Source: World Tourism Organization (UNWTO).

# LDC service exports – evolution of travel and tourism by region 2005-2015

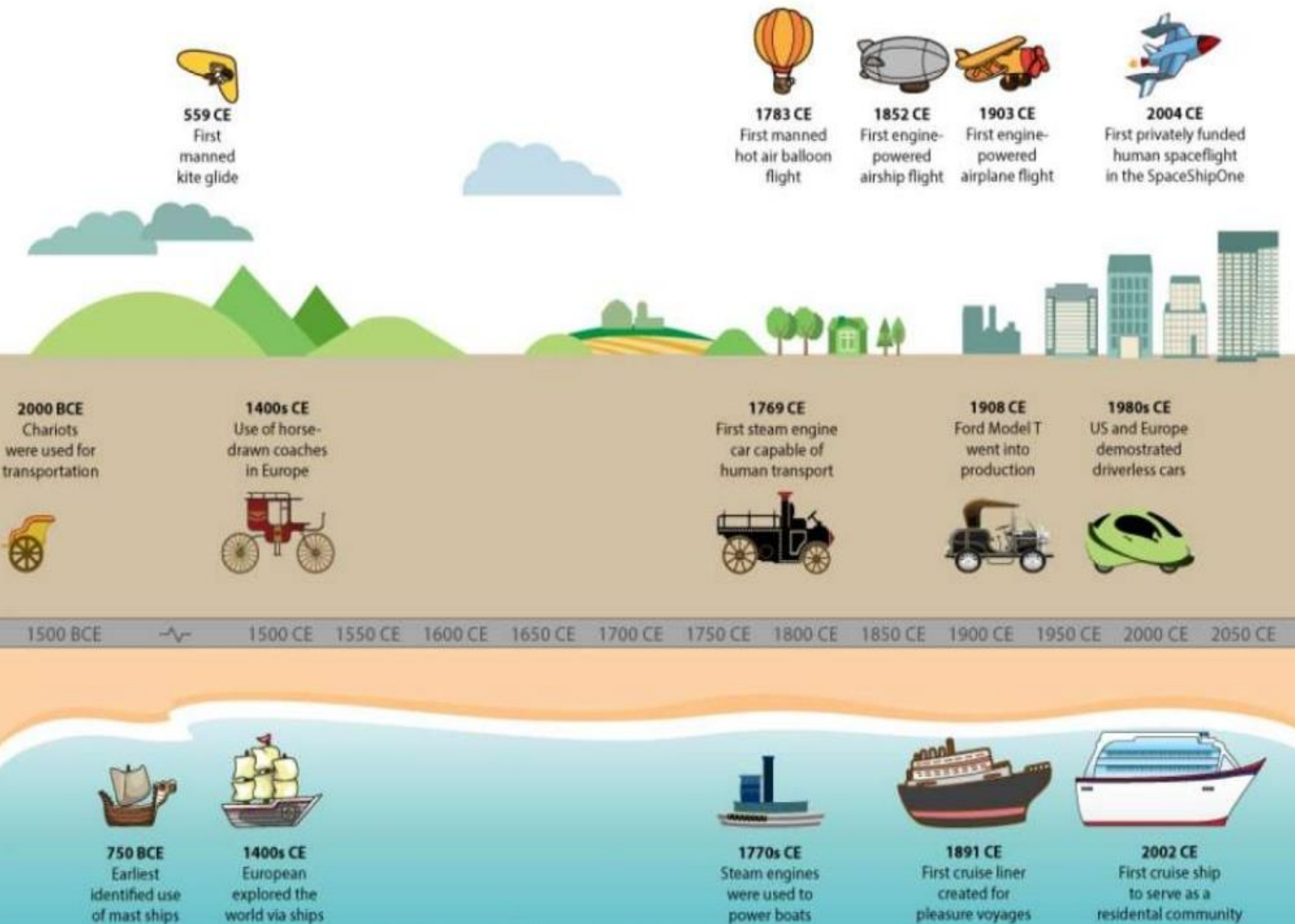


# Tourism and the consumer – key trends

“Two major revolutions have marked the last decades: the travel revolution, which has positioned tourism as a fundamental element of our lives, and the boom of new technologies that have changed the game for many sectors including tourism”

Mr Taleb Rifai UNWTO Secretary-General

# Historical Development of Transport Systems





# The Three Waves of Tourism & Internet based ICT

## **1995-2005: Advent of the Web and other Internet based services**

marketing to customers in their homes and offices

rapid development of web-based information and booking systems, offered major new players

## **2005-2015: Mobile and social expand exponentially**

Customers to access information and booking systems whilst travelling to and within the destination

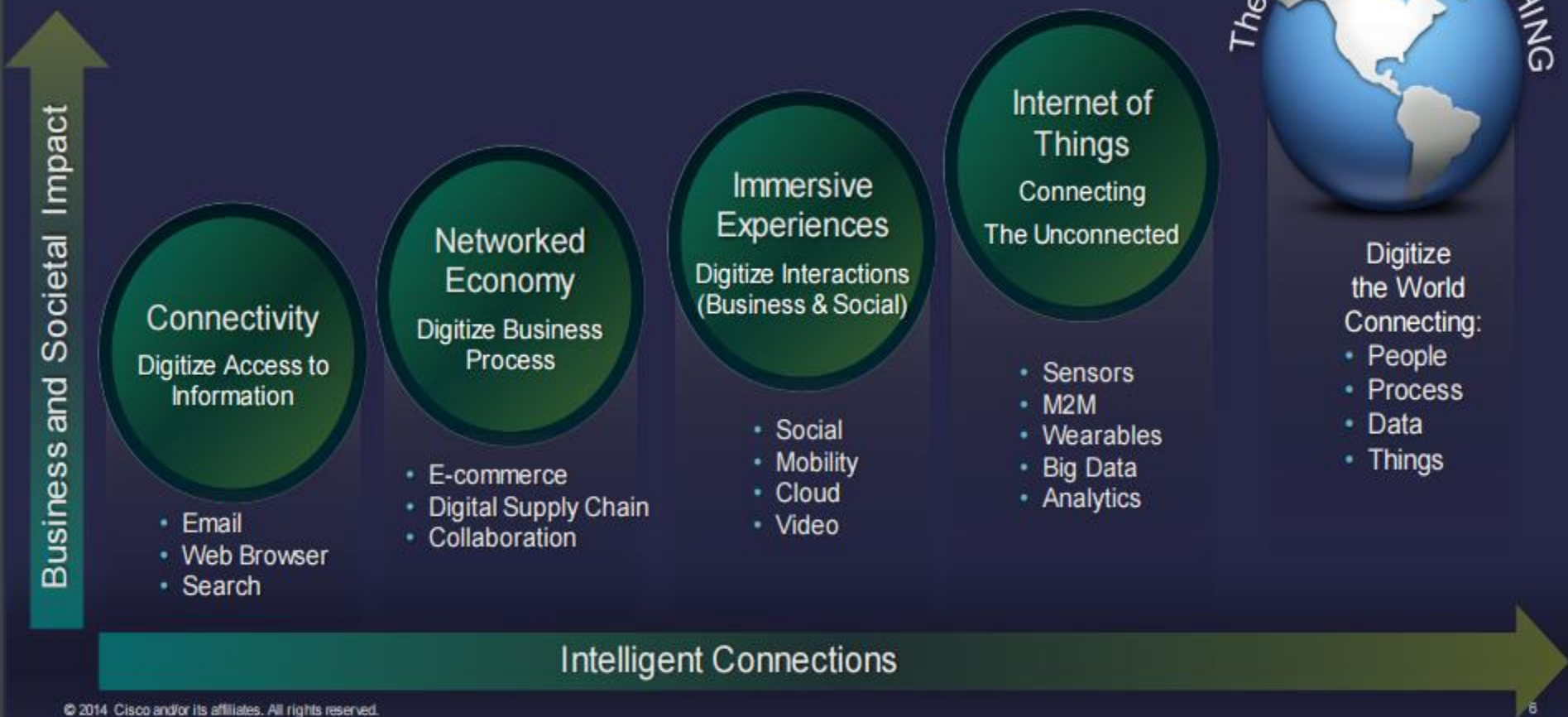
Reviews, mapping, photos and video come to play key role in trip planning – the customer is increasingly in control

Major implications for 'on-the-ground' services

## **2015-25: The 'Internet of Things' and 'Living Services'**

“a new layer of connected intelligence that will revolutionise the ability of organisations to offer interesting and increasingly indispensable digital services to travellers”

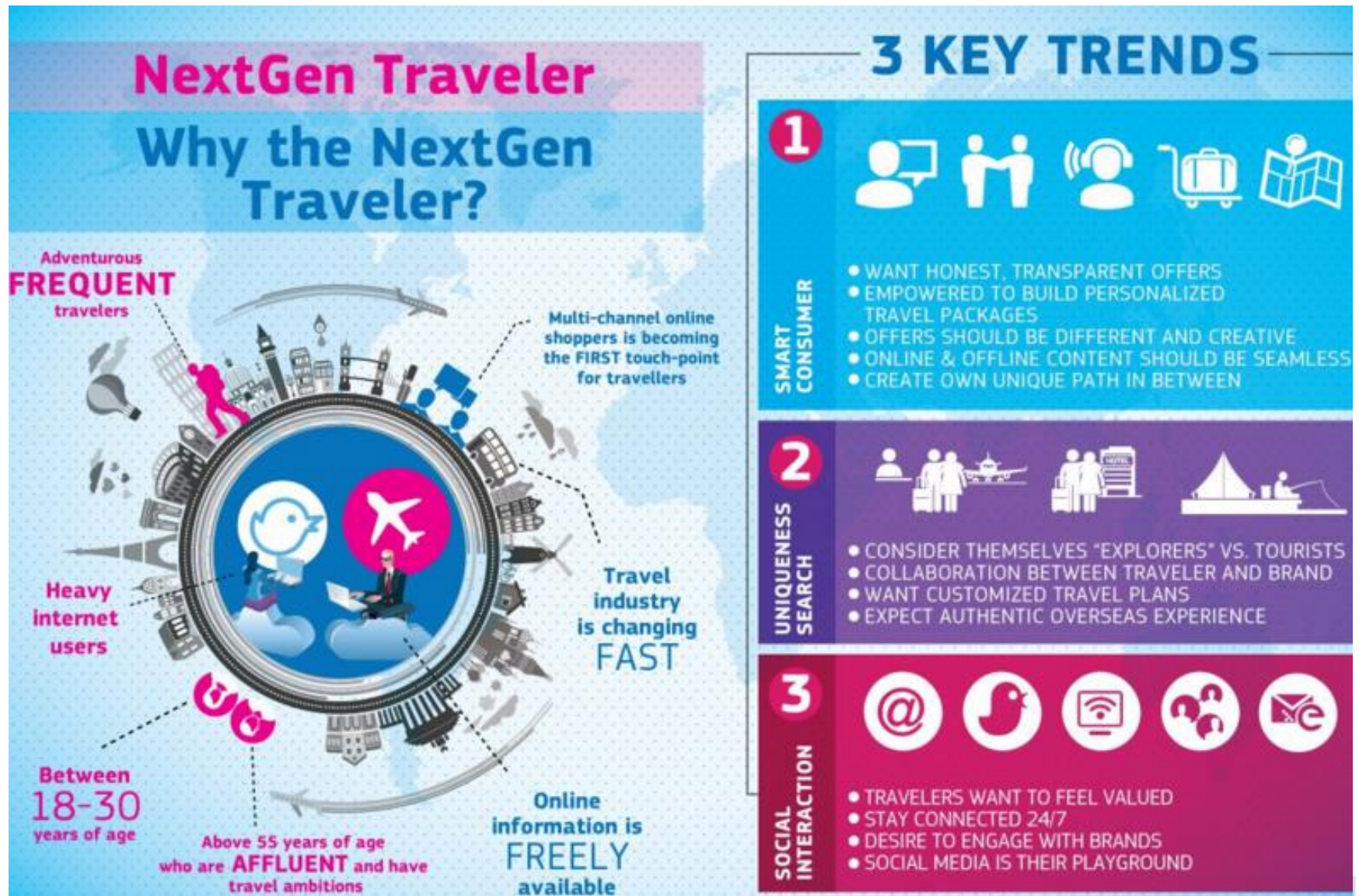
# Evolution of the Internet



Source: Cisco

- Source: Cisco and its affiliates, referred in The Internet of Things – Accelerate Innovation and Opportunity on top The 3rd Platform (May 2015). Available at <http://www.slideshare.net/cun2000vn/internet-of-things-accelerate-innovation-and-opportunity-on-top-the-3rd-platform>.

# Tourism and the consumer – key trends





# Mobility platforms

amadeus

## THE RISE OF THE MOBILE-APP EMPOWERED TRAVELLER

ALMOST ALL TRAVELLERS NOW COME WITH SMARTPHONE ATTACHED



of global travellers use smartphones while travelling. <sup>1</sup>



1

### PRE-TRIP

Mobile apps now play an important role in travellers' planning & purchase



of travellers have used an app to help them plan travel. <sup>4</sup>



30%

have used mobile apps to find hotel deals. <sup>5</sup>



15%

have downloaded mobile apps, specific to their upcoming vacation. <sup>6</sup>

MULTI-SCREEN TRAVEL PLANNING & PURCHASE (ACROSS SMARTPHONE, TABLET & PC) IS BECOMING COMMONPLACE



of travellers started looking for vacation ideas on one device and completed the activity on another. <sup>2</sup>

2

### DURING TRIP

Mobile apps are now being accessed throughout the trip

52%

of travellers use apps in-destination <sup>3</sup>

- Of those 94% are researching things to do
- Of those 80% are looking for maps and directions
- Of those 75% are searching for restaurants



46% of leisure travellers and 61% of business travellers use a smartphone app to check into their flight. <sup>7</sup>

4/10

travellers check-in to a location via an app during their stay. <sup>8</sup>



MOBILE APPS INCREASINGLY ASSIST SMARTPHONE-ATTACHED TRAVELLERS ALONG THEIR JOURNEY

Around half of all smartphone users now have travel apps installed. <sup>9</sup>



3

### POST-TRIP

Mobile apps now help travellers relive their experiences and plan their next ones



7/10



travellers post vacation photos via social network apps during and after their trip. <sup>10</sup>

Upon their return, travellers soon start searching for their next trip, with the most popular travel components booked via smartphone apps being:

- Airline travel - 51% of users <sup>2</sup>
- Overnight accommodation - 45% of users <sup>2</sup>
- Travel/Vacation Packages - 45% of users <sup>2</sup>



With **82%** of the world's top 50 airlines now offering apps for customer loyalty & retention, frequent flyers are increasingly re-booking via a pre-installed app <sup>7</sup>



# ICT Connectivity - key facts to consider

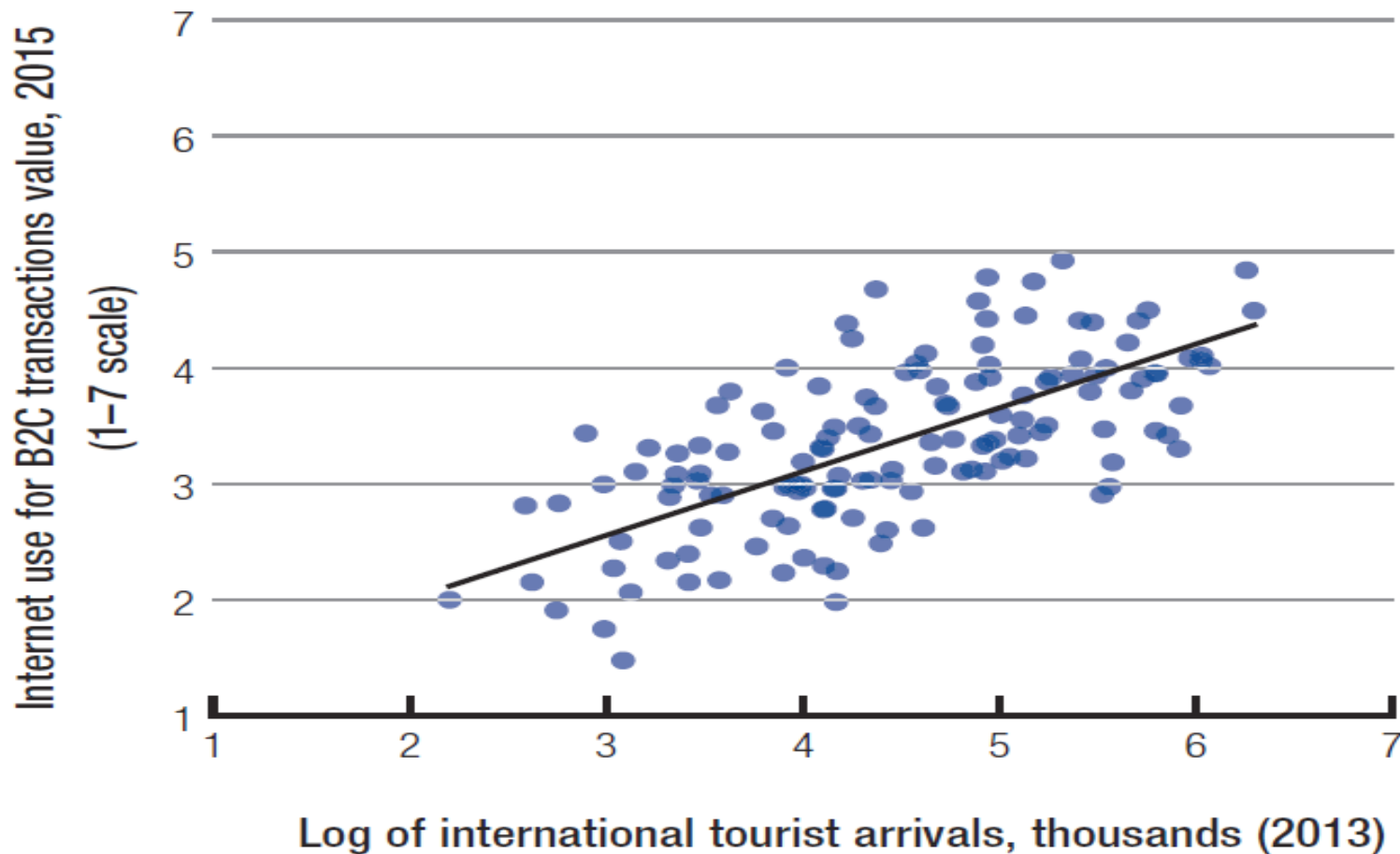
- The web has developed from a read-and-write only platform into the Social Web.
- 2000 – 2015 Internet penetration increased almost seven-fold from 6.5 to 43 per cent of the global population.
- Yet, four billion people in the developing world remain offline.
- Of the nearly one billion people living in LDCs, 851 million do not use the Internet. (ITU, 2015)

# Tourism and the digital economy

- 95% of people use digital resources to organize a trip, using an average of 19 websites or mobile applications (Boston Consulting Group)
- 74% of the respondents mentioned “free wi-fi” as the main benefit when deciding about accommodation (Tripadvisor)
- By the end of this decade mobile hotel bookings worldwide will triple, while non-mobile online reservations will rise by only 4% annually (Deutsche Bank)
- The consumer peer-to-peer rental market is worth an estimated \$26 billion, with Airbnb alone having more than 600,000 listings across 160 countries. (Deutsche Bank)
- Guides and tours: Fewer than 3 % of tour guides with online presence (WEF, 2015)

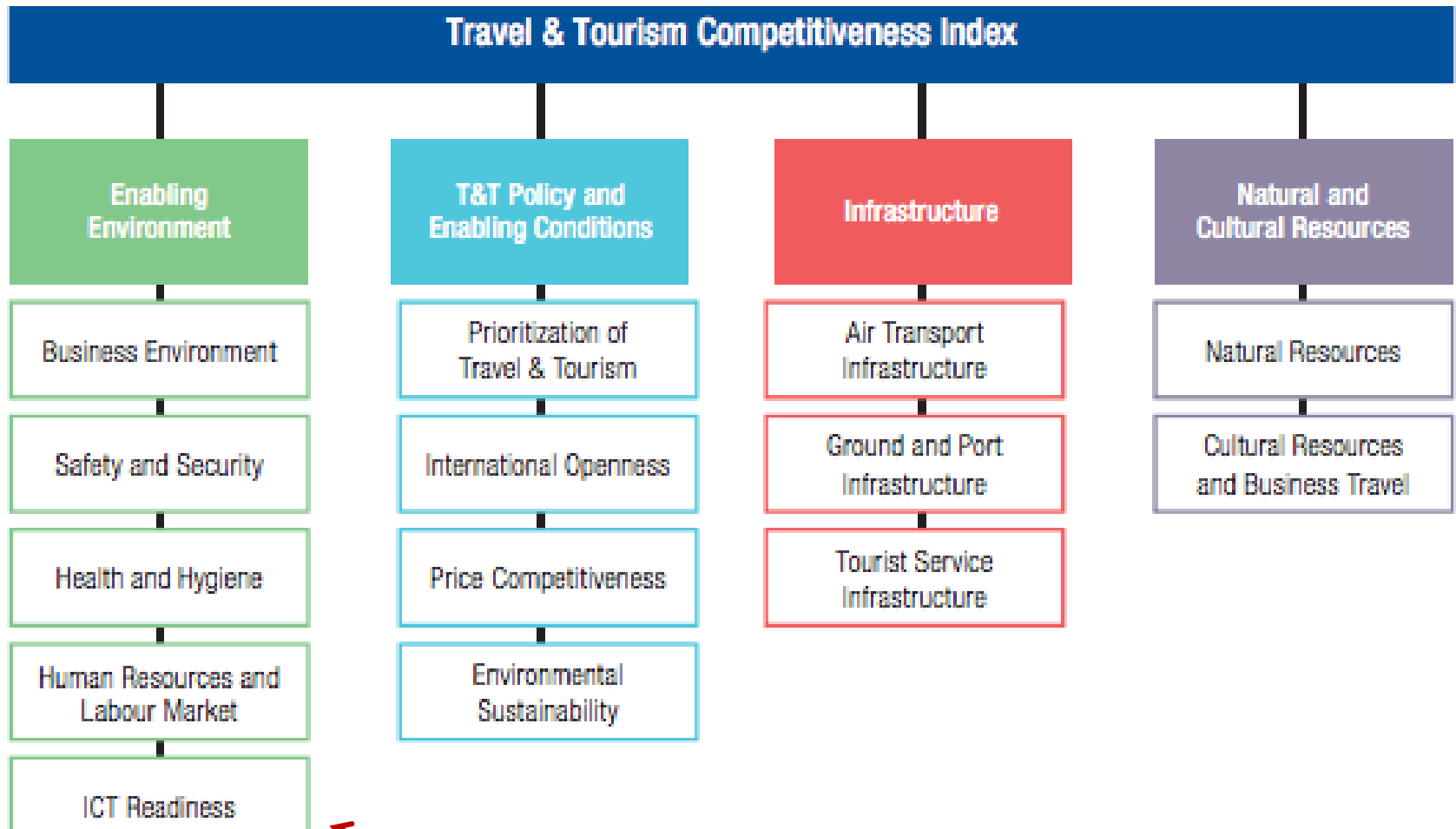
# Internet and arrivals

**Figure 5: Business-to-consumers internet use and international tourism arrivals**



# Tourism Competitiveness Factors

(WEF 2015)





# Tourism competitiveness ranking

## WEF Tourism Competitiveness Report 2015

Rank	Country/Economy	Value
1	Spain	5.31
2	France	5.24
3	Germany	5.22
4	United States	5.12
5	United Kingdom	5.12
6	Switzerland	4.99
7	Australia	4.98
8	Italy	4.98
9	Japan	4.94
10	Canada	4.92
132	Sierra Leone	2.77
133	Haiti	2.75
134	Myanmar	2.72
135	Burundi	2.70
136	Burkina Faso	2.67
137	Mauritania	2.64
138	Yemen	2.62
139	Angola	2.60
140	Guinea	2.58
141	Chad	2.43

### Pillar 5: ICT Readiness (8 indicators)

Online services and business operations have increasing importance in T&T, with internet being used for planning itineraries and booking travel and accommodation—but ICT is now so pervasive and important for all sectors, it is considered part of the general enabling environment. The sub-components of the pillar measure not only the existence of modern hard infrastructure (mobile network coverage and quality of electricity supply), but also the capacity of businesses and individuals to use and provide online services.

# Looking to the Future: Travel Facilitation

- Include travel facilitation as a pillar in regional and bilateral trade negotiations and agreements;
- Review and streamline current visa processes including adopting new technologies to speed up visa applications and move towards an electronic (e-) visa while strengthening security;
- Reviewing and enhancing border-crossing processes and security checks at key entry points, notably at airports.

# The way forward: need of ICT developments for tourism

Tourism destination organisations and businesses to understand current and emerging technologies that are of primary relevance for them, in particular:

- **Effective use of new technology in marketing**, including the attraction of new markets and customer relationship management (including the role of social media); and content acquisition and distribution.
- **Technologies will enhance industry performance**, through new business models, increased access to knowledge and skills, business networking and partnerships, strengthened sustainability and new applications, including robotics
- **Enhancing the experience of visitors travelling** to and within destinations

# Implications of ICT developments for tourism destinations and businesses

For destination organizations, through innovative use of ICT :

- **To enhance the quality of experience**, through location based information, interpretation and services
- **To ensure that all the players within the destination are ‘connected’**, working together in a seamless way
- **To engage and assist all sectors of the industry and the community** in delivering the highest quality of welcome and service.
- **To build capacity at the national and destination to connect** with other sectors of the economy of the need and opportunities for new technological applications in different sectors of tourism

And finally, at the most strategic level:

- **To use technology to ensure the sustainability of travel and tourism**, by rapidly reducing the carbon footprint of transport and destination activities.



# Incredible India – an example

The Indian Government has embarked on an ambitious project, with the PM leading, to transform itself into digitally empowered society and a knowledge economy. The Ministry of Tourism's activity within this context includes a wide variety of initiatives including:

- Enriched 'Incredible India' website
- Incredible India mobile app with virtual walking tours and audio tours
- Online tracking of hotel classification applications
- Online approval of travel trade service providers
- e-Management of tourism & hospitality institutes
- Rapid growth of e-visas, 266% increase in April 2016
- 'Clean the Monuments' Application
- Use of space technology for visualisation of 3D routes for trekking, skiing etc.
- Indian Railways CTC - example of how dissemination, propagation and accessibility of technology is integral to the country's development strategy - 15-18 million transactions per month
- Cabs accessible online - aggregators using own e-wallet service

# AMADEUS: CSR policies support ICT capacity building for hotels

The Amadeus small hotels distribution project:

This technology transfer project enables the professional distribution of small hotels with scarce resources and access to technology.

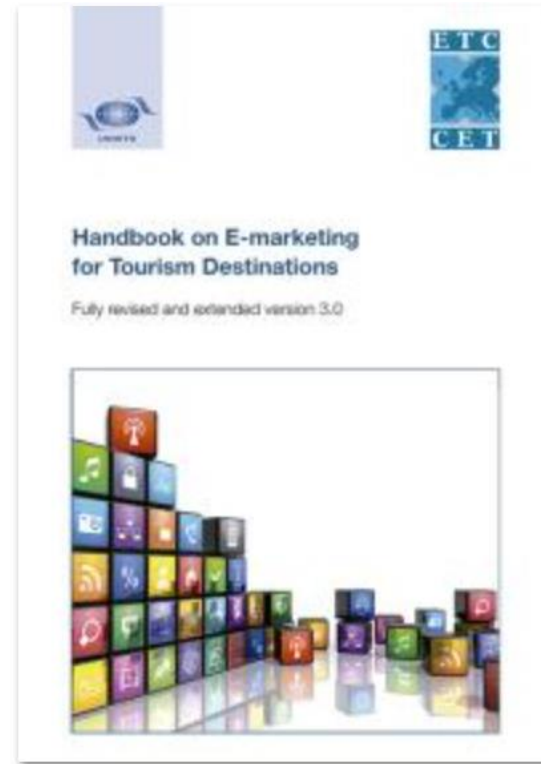
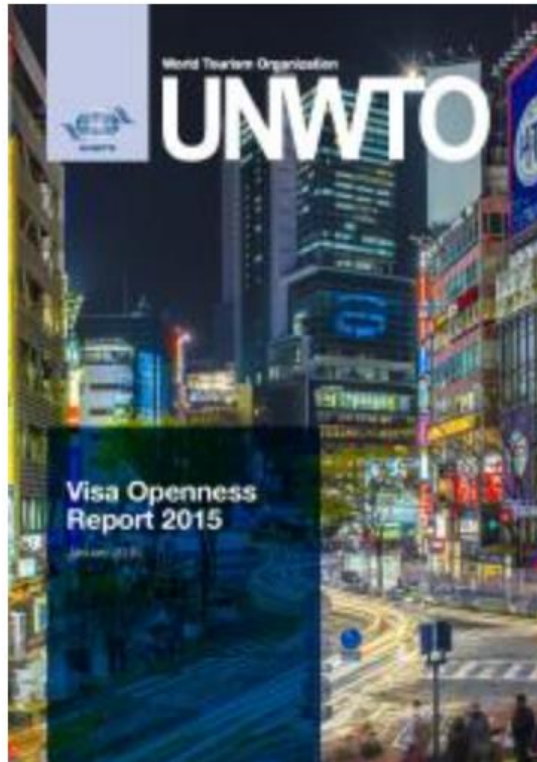
- These small guest houses or bed & breakfast establishments, often located in rural areas, typically have no access to the professional sales channels or standard processes of the travel industry.
- The Amadeus small hotels distribution project brings them a technology platform with which to manage and distribute their offer online in a professional way. It also gives them access to a network of Amadeus travel agencies worldwide to sell their offer, hence expand their commercial reach.
- [http://www.amadeus.com/documents/corporate/corporate\\_responsibility/social-responsibility-infographic.pdf](http://www.amadeus.com/documents/corporate/corporate_responsibility/social-responsibility-infographic.pdf)

# UNWTO Conference on Tourism and Technology, Nara, Japan - June 2016

...”Technology has a significant direct benefit for tourism nations, through efficiencies, engagement and knowledge transfer; and that it is therefore incumbent that we create a proactive ICT culture & ecosystem and take a holistic approach in order to create market awareness, provide location based services and enhance experience delivery. “

2016, Mr. Vinod Zutshi, Secretary, Ministry of Tourism, India

# Some resources...



See UNWTO website <http://rcm.unwto.org/content/facilitation-tourist-travel>

<https://www.weforum.org/agenda/2015/07/connecting-an-unconnected-tourism-industry/>

<https://www.weforum.org/agenda/2015/09/5-innovations-transforming-the-travel-industry/>

<https://www.weforum.org/reports/smart-travel-unlocking-economic-growth-and-development-through-travel-facilitation>



# Time for Global Action

# 2017

declared by the United Nations  
**International Year of  
Sustainable Tourism for Development**



**2017** International Year of  
Sustainable Tourism  
for Development  
How you can engage – Sponsorship & Partnership Opportunities

This is a unique opportunity to advance the relevance of our sector in global and national agendas, we invite you all to engage with UNWTO, make the most of this opportunity and shine a spotlight on tourism!

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