



Policies to enable the digital transformation of tourism SMEs

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Digital transformation is a powerful catalyst for innovation and growth in tourism

- Tourism sector has been an early adopter of new technologies, and will be at the **FOREFRONT** of the next production revolution
- New digital technologies and processes are **TRANSFORMING** tourism services and changing the way people travel
- But the scale, scope and speed of these changes is creating **CHALLENGES**
- Not all individuals, places and businesses have **BENEFITTED** to the same degree

OECD GOING DIGITAL INTEGRATED POLICY FRAMEWORK

Policy dimensions for action:

1. Access
2. Use
3. Innovation
4. Jobs
5. Social Prosperity
6. Trust
7. Market Openness

Source: OECD (2019), *Going Digital: Shaping Policies, Improving Lives*



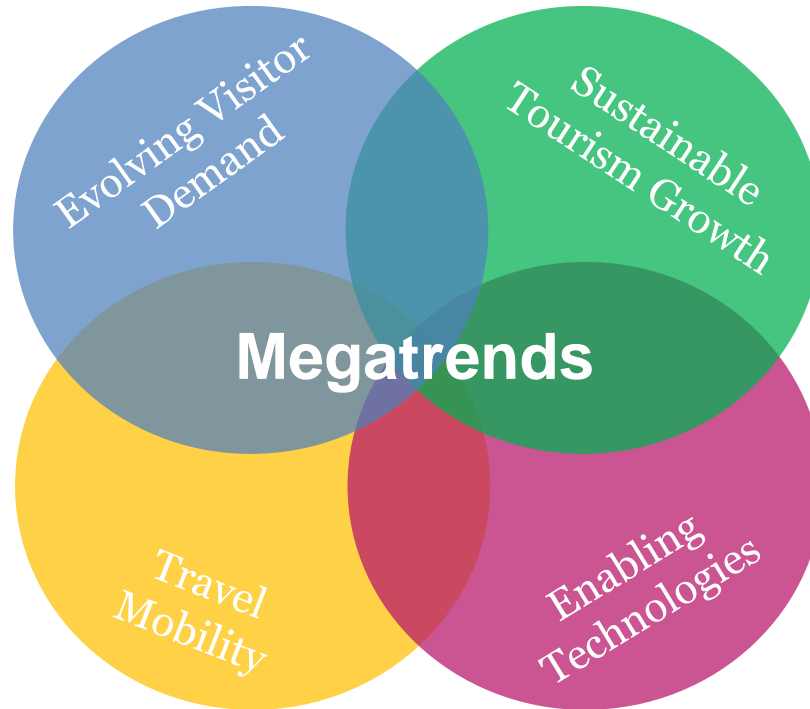
Megatrends shaping the future of tourism



Global middle class
Ageing populations
Emerging generations



Growth of passengers
Evolving transport modes
Security
Natural disasters
Political instability



Emissions
Water resources
Food Production
Well-being



Digitalisation
Automation
Blockchain
Virtual and augmented reality



IMPLICATIONS

- Modernising regulatory and legislative frameworks
- Cultivating partnerships with industry, other governments and key stakeholders
- Taking steps to future-proof tourism policy



Toward enhanced digital transformation of tourism SMEs

- Digitalisation offers **new opportunities** for tourism SMEs
 - e.g. access new markets, deliver new services, enhance visitor experience, new business models to create value
- But SMEs are **lagging behind**, and many businesses are struggling to reap the benefits of new technologies
- OECD data shows that digitalisation is benefiting bigger and younger firms more than small, established firms
- SMEs are the **backbone** of the tourism sector - enabling these small businesses to thrive is essential for sustainable and inclusive growth

Governments are taking steps to seize the opportunities and mitigate the challenges :



Digital strategies for the tourism sector



Inclusion of tourism SMEs in digital strategies



Smart destination development



Incubators and accelerators



Digital training programmes



Sector-specific data analytics



Digital transformation - examples

NEW ZEALAND – SECTORAL PARTNERSHIPS

Toolkit based on SME priorities:

- Easy to use, bite-sized change
- Digital advisory, industry knowledge
- Trust through peers, trusted advisors
- Evidence on metrics that matter
- Community, ongoing support

CHILE: TRANSFORMA TURISMO

Specialised innovation and digital transformation programme to:

1. **Promote** uptake of technology
2. **Encourage** ongoing improvement
3. **Incorporate** digital knowledge from other sectors

INITIATIVES:

- Tourism App to connect product
- Digitalise your SME training
- Regulatory changes



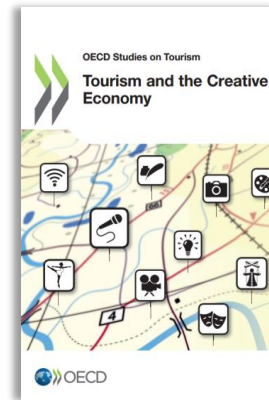
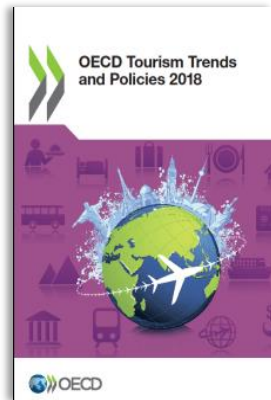
Enabling tourism SMEs to keep pace and benefit from digitalisation

- Supporting the digital transition of tourism businesses will require measures to promote
 - **Access** to technological infrastructure, data and knowledge
 - Adoption and efficient **use** of new technologies by SMEs
 - Empower SMEs to **innovate** and keep pace with evolving consumer demand
 - Develop the **skills** mix needed for workers and managers
 - **Investment**, including in organisational change, new business models, skills, technical inputs
- OECD Tourism Committee is working to better understand the **sector-specific aspects** of the digital revolution, and the **policy shifts** needed to empower tourism SMEs to benefit



To find out more -

www.oecd.org/cfe/tourism
<http://stats.oecd.org/>



Publications available on-line

- OECD Tourism Trends and Policies (2008, 2010, 2012, 2014, 2016, 2018)
- Provide new OECD evidence on tourism trade in value added (2019)
- Effective policy approaches for quality investment in tourism (2018)
- Analysing megatrends to better shape the future of tourism (2018)
- Major events as catalysts for tourism (2017)
- Financing approaches for tourism SMEs and entrepreneurs (2017)
- OECD Tourism Policy Review of Mexico (2017)