



PATA Guilin Forum

Harnessing the power of data to drive sustainable tourism through government policies & programs

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Sustainability requires Public Private Partnerships



Driving sustainability through policies, programs and projects

With the right insights, governments and the ecosystem of stakeholders can shape and drive sustainable tourism

Policies

- Mastercard tourism insights from our Economics Institute and data platform provide anonymized and aggregated insights to offer a deeper understanding of travelers' sentiments and spend categories so tourism authorities and travel operators can shape policies and strategies
- Georgian National Tourism Administration: Mastercard Tourism insights enabled the DMO to use data to uncover consumers' behaviour, pre and post trip, which informed its strategy to support local tourism merchants e.g. Georgian hoteliers can incorporate the data to better attract and accommodate international tourists

Programs

- Ecosystem of stakeholders at a tourist destination must remain committed and actively contribute to developing sustainable tourism
 - Programs to increase awareness of sustainable practices
 - For instance, Switzerland has a sustainability strategy named "Swisstainable" to provide guidance for travelers and set standards for tourism operators
 - It comes with a grid of criteria and offers are awarded as 3-level insignia¹

Level III – leading

Level III businesses have a comprehensive, recognised sustainability credential that covers all dimensions of sustainability and is regularly audited by third parties.

Level II – engaged

Level II businesses are committed to sustainable business management and ongoing further development in sustainability. In addition, these businesses have a recognised credential in at least one sustainability dimension.

Level I – committed

Level I businesses commit to sustainable business management and to further developing their business continuously towards sustainability.

Swisstainable committed Service Providers



Projects

- Tracking of sustainable footprint with Doconomy and Carbon Calculator
 - Mastercard provided Umeå Carbon Calculator insights to understand the environmental impact of visitors & events
- Analysis and impact measurement of sustainable tourism across markets
 - Mastercard and OTCP, France partnered to design a platform to measure & raise awareness of the carbon impact of events so a more sustainable event industry could be built
- Partner organizations to support SMEs through capability building (UNWTO Digital Futures x MA)
 - 5 digital modules curated for SMEs e.g., e-commerce & payments, cybersecurity



Mastercard's role in transforming tourism

Transforming tourism

Supporting all tourism stakeholders in their end-to-end journey towards a more sustainable, resilient and inclusive tourism economy.

1

Understand & define

Deeper understanding of the tourism industry

Consolidate insights and tourism knowledge to better understand tourism flows, traveler preferences and demands.

Assess digital and cybersecurity readiness and capabilities

Access to tools to understand digital readiness and to uncover and prepare for cybersecurity risks and threats.

2

Attract & scale

Attract target travelers

Design and implement the appropriate marketing strategy and end-to-end campaigns, considering the needs of target travelers.

Drive volumes and enhance the traveler experience

Advance the traveler experience with our destination platform and loyalty programs, and build visitor loyalty and re-engagement.

3

Measure & track

Analyze impact of initiatives

Access tools to analyze tourism initiative impacts to enable optimization.

Harness data for planning and decision-making

Leverage actionable data insights to prioritize, guide and optimize response and tourism recovery programs.

4

Enhance & deliver

Create seamless traveler journeys

Elevate and facilitate the traveler stay with digital solutions.

Support local tourism SMEs

Solutions to encourage spend at local SMEs, improve the purchasing experience and support SME cash flow management.



Mastercard's approach to sustainable tourism



Tourism Insights

Mastercard supports all tourism stakeholders in their end-to-end journey towards a more sustainable and inclusive tourism economy

Using insights and tourism knowledge, we can help to better:

- Understand tourism flows, preferences and demands
- Prioritize & Optimize tourism recovery programs, especially in areas of sustainability
- Encourage spend, and support growth of local SMEs



Priceless Mastercard

Mastercard eco-friendly Priceless Experiences not only offer travelers a chance to celebrate our planet, it inspires them to bring more eco-friendly practices into everyday lives

Experience in Požega, Croatia: Guests will go on a 3-day eco-adventure trip to Slavonia and Papuk Nature Park. They will take part in a nature tour on e-bikes, and support local environment (e.g., pick up litter & trash)



Smart Cities & Sustainability

Mastercard is engaged across Government Digitization Solutions, and offers insights to support Government Policies for shaping of Smart Cities


- A sustainability index could be co-built with a tourism destination, to monitor performance of tourism operators while tracking its contribution to a “sustainable tourism” ecosystem
- Our approach:
 - Understand and assess visitor volumes with traveler insights
 - Execute and amplify the campaign with agencies and create ROI metrics
 - Develop sustainable tourism offers and build a tracking dashboard to monitor sustainable operators



Case Studies



Innovation for sustainable tourism

 Costa Rica

The Costa Rican Tourism Authority, Mastercard and the National Bank of Costa Rica partnered to launch a strategic initiative to design a sustainable tourism program. Tourists arriving in Costa Rica can now print a biodegradable prepaid Wildlife Impact Card at the airport to spend while in the country. Cardholders can track the carbon footprint of their spending, encouraging more sustainable spending choices, and offset their emissions by making donations to protect endangered species and the Priceless Planet Coalition. With this program, Costa Rica and Mastercard are promoting a more sustainable-conscious tourism while digitalizing the payments industry and increasing payments security.

PARTNERS



Measuring the economic and environmental impact of Rally Sweden

📍 Umeå

Hosting Rally Sweden was an opportunity for the city of Umeå, but this posed a challenge to preserve environmental progress, while creating a memorable visitor experience. Mastercard partnered with Umeå to align its tourism growth plans with its net-zero ambitions. Mastercard provided Umeå Carbon Calculator insights to understand the environmental impact of visitors' and residents' spending and analyzed the economic impact of the Rally in the city. This analysis helped Umeå better understand the environmental and economic side effects of the event and identify actions to make city events more sustainable.

PARTNERS

visit
umeå!



Driving sustainability through event impact measurement

 Paris

The events industry is increasingly a strategic priority for many destinations. Mastercard partnered with OTCP (Office of Tourism and Congress of Paris) to design a platform to measure and raise awareness of the economic, social and carbon impact of events held in the city. The Mastercard Labs as a Service team ran a five-day design-thinking sprint to scope, design and develop an event impact platform to provide greater visibility on the impact of events. With this platform, Mastercard and OTCP are building a more sustainable event industry in Paris, improving the attractiveness of the destination, while educating event organizers and attendees on the environmental impact of conferences and other major events.

PARTNERS

PARIS
Office du Tourisme
et des Congrès



Developing sustainable tourism through analysis and segmentation of tourists' behavior

 Spain

Turespaña, Spain's destination marketing organization, was seeking to attract more sustainability-conscious tourists to the country and adapt its offering to these travelers. To support this objective, Mastercard performed an analysis exploring international tourists' attitudes, while analyzing the potential spend propensity for sustainable experiences in the country. Turespaña was able to better understand tourist sentiment, identify key audience segments for future promotions and adapt experiences on its website to focus more on sustainability.

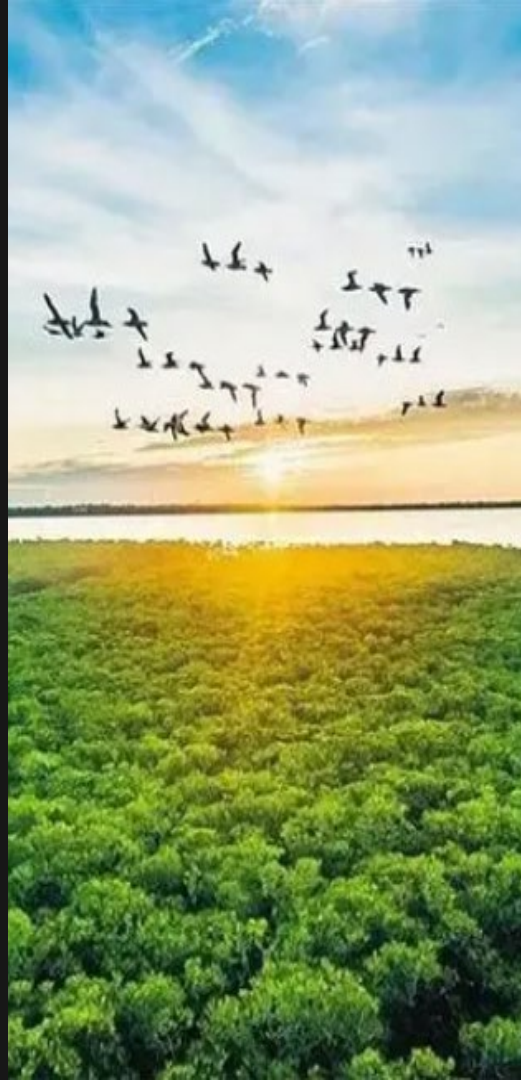
PARTNERS

TURESPAÑA



Advocating sustainable spending, and support tree planting in tourism destination

- Mastercard and China Construction Bank upgraded a flagship card to a sustainable credit card
- Green merchants and products are added to the rights and incentives to the card
- Powered by Mastercard's Carbon Calculator, cardholders will be able to know the carbon footprints of their spendings
- Based on cardholders' spending, trees will be planted in tourism destinations such as Hainan Province through Priceless Planet Coalition and other partners



Partnering with wallets to expand acceptance and income SMEs

- Mastercard worked with popular wallets, Alipay and WeChat, to allow inbound tourists to bind their foreign credit card to these wallets
- This initiative will enable millions of SMEs in tourism sector, particularly in less developed areas, to accept payments from inbound tourists, hence to increase incomes

Pay like a local with Mastercard® and Alipay

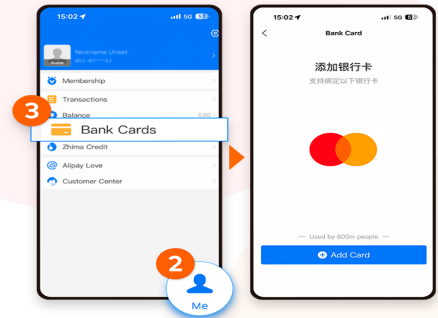
You can pay anytime, anywhere in China with your Mastercard debit/credit card, linked to Alipay international version's digital wallet. Simply. Securely. Just like a local.

Step-by-step Guide

Registration



Add my card



UNWTO Digital Futures Partners

AMADEUS



hosco.

ECOLAB | Lobster Ink

What are the steps for Digital Futures?

While the health crisis was a harsh reality for many SMEs, it also created **incredible opportunities for those that could innovate and take advantage of the expansive reach of digital channels**. According to an analysis by Mastercard Test and Learn®, digitally enabled SMEs saw a 5.0% increase in customer spending and a 4.5% increase in transactions compared to their peers

The **UNWTO Digital Futures Programme** recognizes that SMEs are at the forefront of economic recovery and aims to support their digital transformation journey by facilitating the diffusion of relevant technologies to SMEs in the tourism value chain.



Call for SMEs



Take Digital
Diagnostic
Tool



Choose your
Digital Path



Access to
Digital Tools



Specialized
Trainings



Digitalized
SME

Domestic Tourism Execution Singapore



With borders closed during the COVID-19 pandemic, the Singapore Tourism Board focused on promoting domestic tourism to support tourism and lifestyle businesses.



Context and Challenge

The Singapore Tourism Board (STB) is the lead development agency for tourism, one of Singapore's key economic sectors. With the COVID-19 pandemic resulting in border closures, STB launched the SingapoRediscover domestic tourism campaign in July 2020, and worked with partners such as Mastercard to encourage spend on local tourism and lifestyle businesses.

As part of their joint domestic marketing campaign, STB and Mastercard wanted to identify potential audience segments and plan a campaign for these segments, based on consumer spend insights.



Approach

Mastercard segmentation and affinity analysis identified young professionals and families as audience segments.

The end-to-end campaign with merchant discounts across retail, dining, hotels, and attractions, stimulated overall domestic spend uplift.



Results

Built a personalized campaign targeting key segments such as Families and Young Professionals, and curating promotions for these segments.:

- Following the rise of new behaviors
- Map their travel missions, and favorite channels to ensure their Singapore experience is exactly what they love to do



Campaign amplification together with the largest domestic issuer holding “families” and “young professionals”



6% uplift spend of targeted segments vs market



17% uplift in promoted merchants



How data helps?

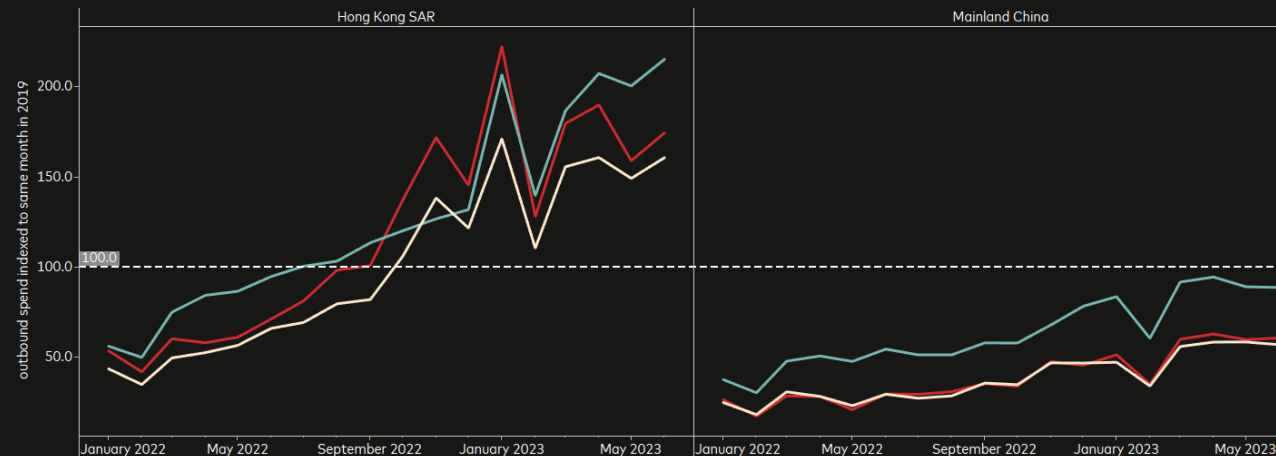


Strong recovery in experiences vs things

Industry Classification

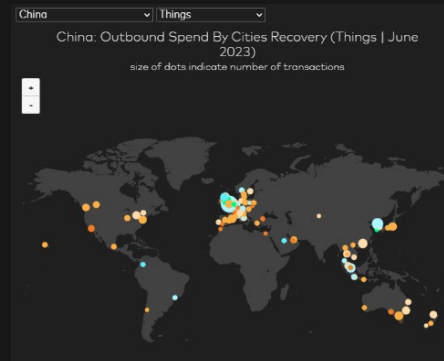
- Clothing Stores
- Experiences

Hong Kong SAR & Mainland China: Outbound Spend Recovery (indexed to same month in 2019)

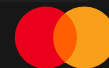


On the right: The greener the colour in the bubbles, the stronger the recovery (red/oranges are weaker)

Things...

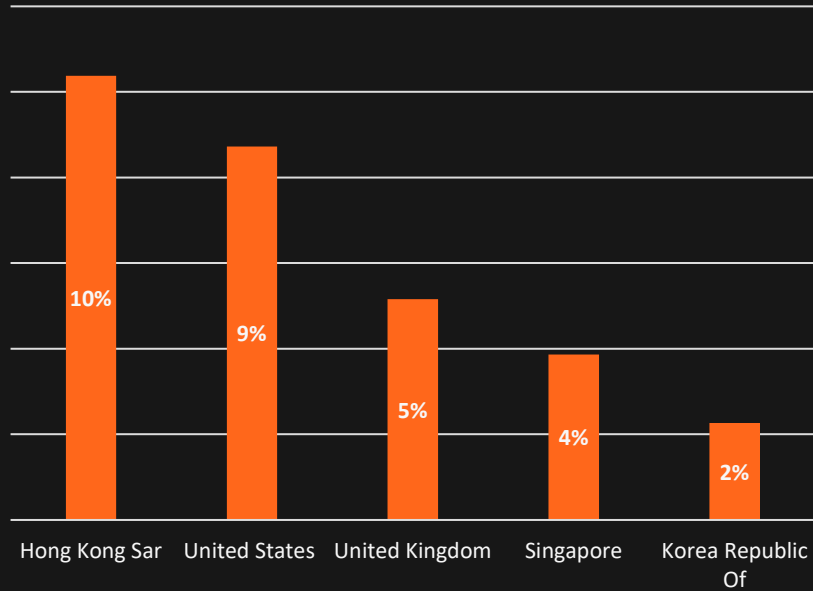


vs Experiences

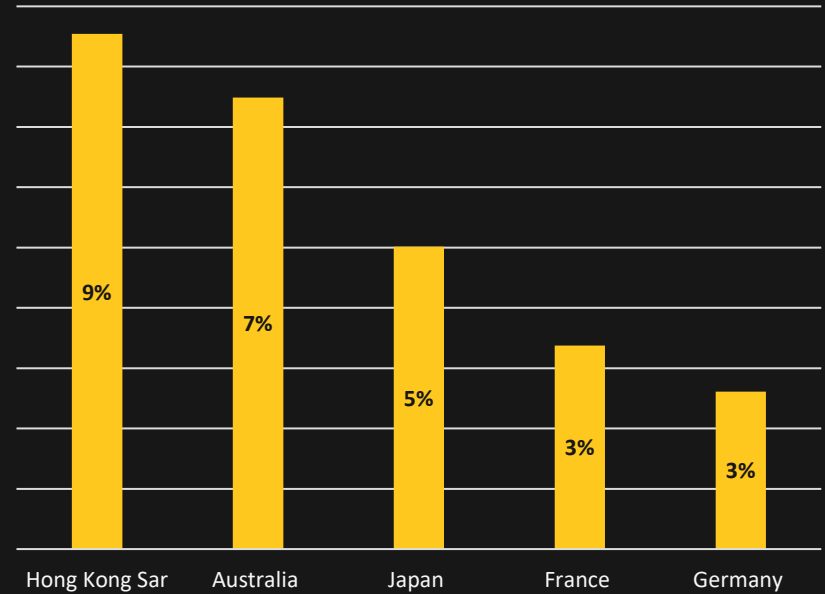


Top 5 Inbound and Outbound Corridors

Top 5 Inbound Corridors (w/o retail CNP)

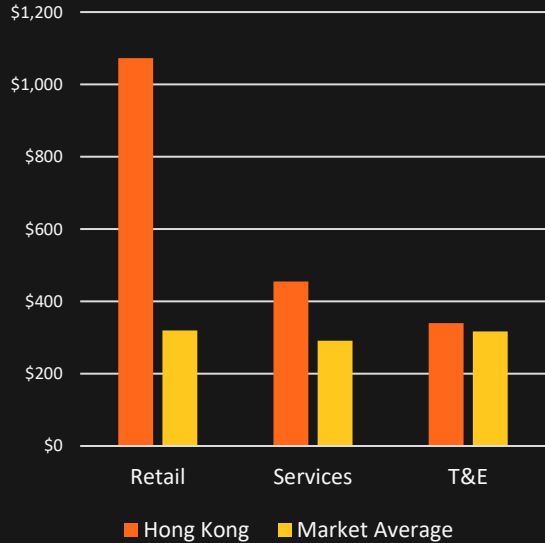


Top 5 Outbound Corridors (w/o retail CNP)

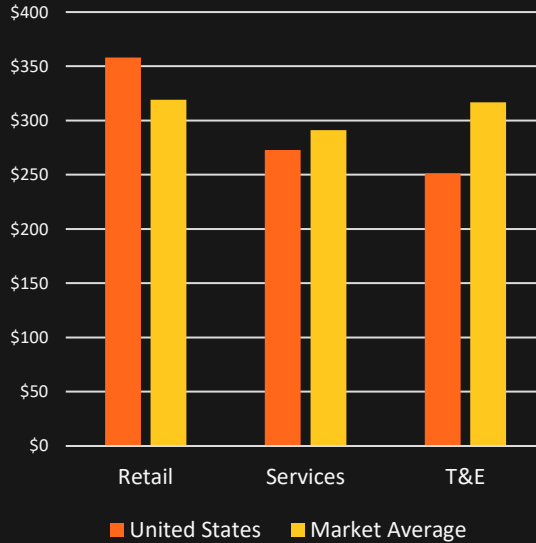


Average Ticket Size of Top 3 Inbound Corridors

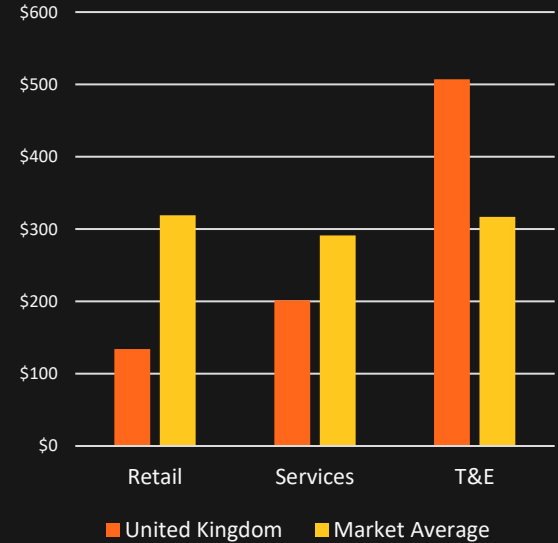
Hong Kong



United States



United Kingdom



	Retail	Services	T&E
% of total spend by market	25%	1%	74%

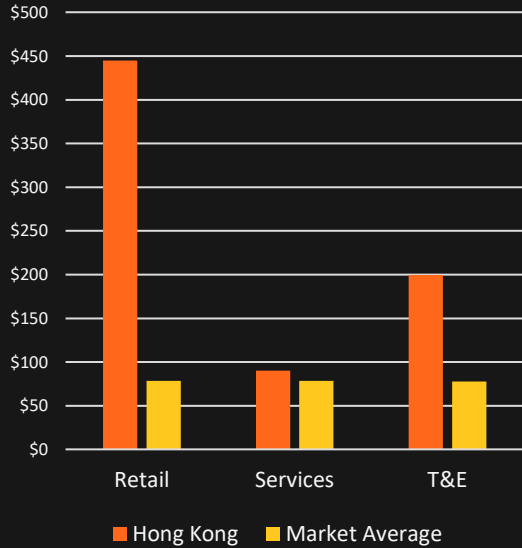
	Retail	Services	T&E
% of total spend by market	6%	0%	94%

	Retail	Services	T&E
% of total spend by market	4%	0%	96%

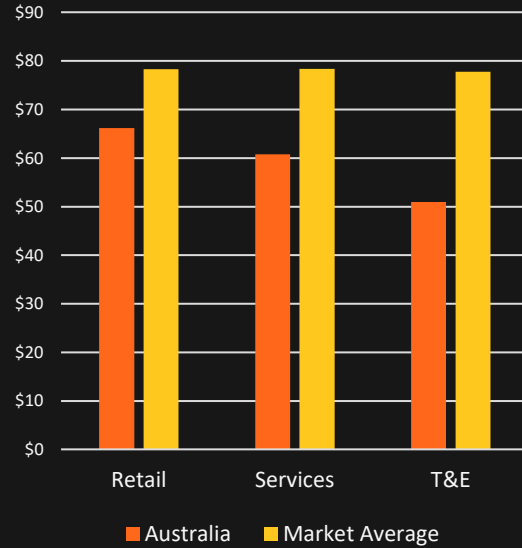


Average Ticket Size of Top 3 Outbound Corridors

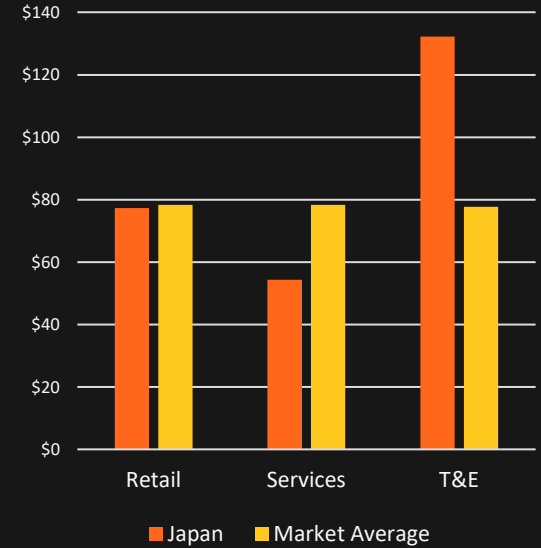
Hong Kong



Australia



Japan



	Retail	Services	T&E
% of total spend by market	25%	1%	74%

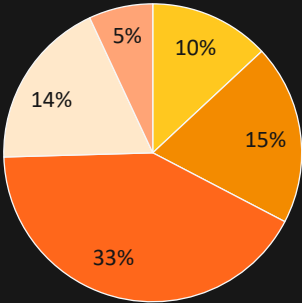
	Retail	Services	T&E
% of total spend by market	67%	3%	30%

	Retail	Services	T&E
% of total spend by market	61%	3%	35%



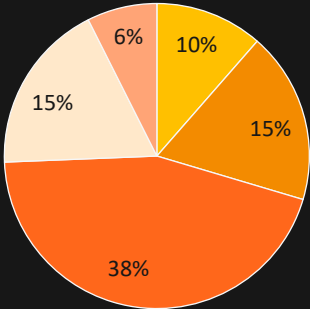
Travelers into Mainland China are spending significantly on Hotels, and we see an increase in spend on mid-market hotels

Retail Value RSP of Hotels in 2019 (USD Million)



- Luxury Hotels
- Upscale Hotels
- Mid-Market Hotels
- Budget Hotels
- Short-Term Rentals

Retail Value RSP of Hotels in 2023 (USD Million)



- Luxury Hotels
- Upscale Hotels
- Mid-Market Hotels
- Budget Hotels
- Short-Term Rentals



THANK YOU!

