



## FINAL REPORT

### WORLD TOURISM CONFERENCE 2022 (WTC 2022)

***“TOURISM FUTURES REIMAGINED”***



## Table of Contents

|                                                                                                                |    |
|----------------------------------------------------------------------------------------------------------------|----|
| Acknowledgements .....                                                                                         | 4  |
| INTRODUCTION.....                                                                                              | 5  |
| OPENING CEREMONY .....                                                                                         | 5  |
| Welcome Remarks - Secretary General of the Ministry of Tourism, Arts and Culture (MOTAC) .....                 | 5  |
| Opening Remarks – Mr Harry Hwang, UNWTO Regional Director for Asia and the Pacific .....                       | 6  |
| Officiating Address - Right Honourable Datuk Seri Panglima Haji Hajiji Haji Noor, Chief Minister of Sabah..... | 7  |
| KEYNOTE ADDRESS - TOURISM FUTURES REIMAGINED - EMERITUS PROF. DATO' CHM. DR MAZLIN BIN MOKHTAR .....           | 8  |
| SESSION 1: DECODING TOURISM FUTURES – FORESIGHT & SCENARIOS.....                                               | 14 |
| Graph 1. Sketch Post on Decoding Tourism Futures – Foresight and Scenarios .....                               | 15 |
| 1.1 International Tourism Trends & Outlook - Javier Ruescas.....                                               | 15 |
| 1.2 Tourism in Transition - Dr. Wouter Geerts .....                                                            | 17 |
| 1.3 Tourism Futures and Implications for Sustainability - Dr. Johanna Loehr .....                              | 19 |
| 1.4 Tourism Futures Case Study - Dr. Ian Yeoman.....                                                           | 21 |
| 1.5 Understanding Tomorrow’s Travellers - Lau Yin May.....                                                     | 23 |
| SESSION 2: DISCOVERING NICHE OPPORTUNITIES FOR GROWTH .....                                                    | 25 |
| Graph 2. Sketch Post on Discovering Niche Opportunities for Growth.....                                        | 26 |
| 2.1 Market Shifts - Here to Stay or Business as Usual? - Jane Lim.....                                         | 26 |
| 2.2 DE Rantau, Work, Play & Travel in Malaysia - Arifah Sharifuddin, .....                                     | 29 |
| 2.3 Should Tourism Go Metaverse? - Yusno Yunos .....                                                           | 32 |
| 2.4 Luxury or Lifestyle : Health & Wellness Tourism Insight - Dr. Laszlo Puczek .....                          | 33 |
| 2.5 Regenerative Community Based Tourism: Case of Miso Walai Homestay - Dr. Amran Hamzah .....                 | 35 |
| 2.6 Adventure and Nature-based Tourism: Sabah Parks’ Perspectives – Dr. Maklarin Lakim .....                   | 38 |
| SESSION 3: REDEFINING TOURISM SUCCESS – INSPIRING STORIES .....                                                | 42 |
| Graph 3. Sketch Post on Redefining Tourism Success – Inspiring Stories .....                                   | 43 |
| 3.1 The Power of Narratives in Revitalising Tourism - Gary Bowerman.....                                       | 43 |
| 3.2 One Island, One Resort: The Maldives’ Remarkable Recovery – Dr. Ahmed Salih.....                           | 44 |
| 3.3 Women Empowerment: COVID-19 Tourism Recovery - Ben Owen .....                                              | 46 |
| 3.4 Reimagining The Visitor Economy: Thrive 2030 – Brent Anderson .....                                        | 47 |
| 3.5 Southeast Asia’s Leading Travel Platform Powered by Innovation – Albert .....                              | 49 |
| 3.6 Immersive Virtual Experiences with a Human Touch - Rachel Lum.....                                         | 50 |
| 3.7 Building the Best Travel Company for the World - Natalie Kidd.....                                         | 51 |

|                                                                                                              |    |
|--------------------------------------------------------------------------------------------------------------|----|
| 3.8 Resilience Through Value - Jessica Yew .....                                                             | 52 |
| SESSION 4: REBUILDING TOURISM RESILIENCE AND READINESS .....                                                 | 54 |
| Graph 4. Sketch Post on Rebuilding Tourism Resilience and Readiness .....                                    | 55 |
| 4.1 Sustainability Transitions in the Face of Global Crisis - Raymond Rastegar .....                         | 55 |
| 4.2 Preparing Tourism Firms for Future Crisis: The Case of TUI – Carol Mackenzie.....                        | 56 |
| 4.3 From Wasteland to Wonderland – ESG: A Competitive Advantage – Lessons from Sunway Group – HC Chan.....   | 57 |
| 4.4 Sustainable Investments : The New Chapter In Tourism and Hospitality Investments – Andrej Simantik ..... | 59 |
| 4.5 Sustainable Tourism Index as a Scorecard for Destinations - Dr. S Mostafa Rasoolimanesh.....             | 61 |
| 4.6 Engineering Tourism Transformation : Turn On The Manpower Development Engine - Prof. Jafar Jafari .....  | 62 |
| CLOSING CEREMONY .....                                                                                       | 64 |
| Closing Speech by UNWTO - Harry Hwang .....                                                                  | 64 |
| Closing Speech by MOTAC - Datuk Mohd Zamri Mat Zain.....                                                     | 65 |

### **Acknowledgements**

This report was prepared by Dr Ong Hong Peng as the UNWTO Consultant for the World Tourism Conference 2022. In this regard, the author wishes to take this opportunity to record his sincere appreciation for the assistance and support rendered by a team of rapporteurs headed by Ms Yong Ee Chin together with Ms. Elinda Zulkipli, Ms. Sulfila Atisha Md Sulaiman, Ms. Siti Rohanis Mohamad Roze, Mr. Mohammad Shahnizam Mohd Haniff, Ms. Shereen Haron, Ms. Nurul Ain Razali, Ms Farizatol Huda Abdul Rahim, and Ms. Khairiah Kamaruddin.

## **INTRODUCTION**

The sixth edition of the World Tourism Conference (WTC) 2022 was jointly organised by the Ministry of Tourism, Arts and Culture (MOTAC) and the World Tourism Organization (UNWTO). The WTC 2022 was held at the Sabah International Convention Centre, Kota Kinabalu, Sabah, Malaysia from 28 – 30 November 2022. The hosting of WTC 2022 was very well received with 1,058 registered participants, of which 340 (32%) were international participants from 60 countries. This reflected the successful partnership between MOTAC and UNWTO in hosting of the prestigious triennial world conference since 2007.

The Opening Ceremony commenced with welcome remarks from Datuk Hajah Saraya binti Arbi, Secretary General, Ministry of Tourism, Arts and Culture, followed by opening remarks by Mr. Harry Hwang, UNWTO Regional Director for Asia and the Pacific. The Honourable Datuk Seri Panglima Masidi Manjun, State Minister of Local Government and Housing and State Minister of Finance II officiated WTC 2022 on behalf of the Right Honourable Chief Minister of Sabah.

The theme of the conference “Tourism Futures Reimagined” served as a platform to share knowledge, insights and experience on new possibilities and opportunities to realise benefits of sustainable tourism development.

Based on the Conference theme, a keynote address on “Tourism Futures Reimagined” and four panel sessions were delivered. The respective themes of the panel sessions were: (1) Decoding Tourism Futures – Foresight and Scenarios; (2) Discovering Niche Opportunities for Growth; (3) Redefining Tourism Success – Inspiring Stories; and (4) Rebuilding Tourism Resilience and Readiness. The presentation slides and sketch posts of the panel sessions can be accessed at: <https://drive.google.com/drive/folders/1YJrVG0onPeQI-bjxRFdfeHNHGijJ-SQf>

## **OPENING CEREMONY**

### **Welcome Remarks - Secretary General of the Ministry of Tourism, Arts and Culture (MOTAC)**

Datuk Hajah Saraya binti Arbi, Secretary General of the Ministry of Tourism, Arts and Culture in her welcome remarks highlighted that the conference theme “Tourism Futures Reimagined” comprised five impactful sessions, which were aimed at providing thought leadership on future scenarios and potential pathways of change, emerging niche markets including digital nomads and tourism in the metaverse, Environmental, Social, and Governance (ESG), and impact investment opportunities.

WTC 2022 is a significant platform to reconnect and reassess tourism's recovery in the aftermath of the COVID-19 pandemic among tourism players. It is a great window of opportunity to rethink and reimagine tourism for the future which is more sustainable, inclusive and less susceptible to shocks. The tourism sector is predicted to expand due to the pent-up demand alongside new growth opportunities and emerging niche markets arising from the post-pandemic period.

Euromonitor's latest Travel 2023 research indicates that consumers are showing high levels of engagement in sustainable travel while companies increasingly adopt science-based targets and net-zero strategies, as the sector pivots to a quality tourism business model driven by affluent travellers.

Delegates can gain knowledge from some of the world's most innovative tourism destinations and businesses on their inspiring success stories following the COVID-19 pandemic. In addition, insights on better perspectives on future scenarios and potential pathways of change, emerging niche markets including digital nomads and tourism in the metaverse, as well as Environmental, Social, and Governance (ESG) and impact investment opportunities would be useful for deliberations and applications.

### **Opening Remarks – Mr Harry Hwang, UNWTO Regional Director for Asia and the Pacific**

In the opening remarks, Mr. Harry Hwang highlighted that international tourist arrivals were more than double in the first nine months of 2022 compared to the same period in 2021. The tourism sector has recovered 63% of pre-pandemic levels and is on track to reach around 65% by the end of 2022. This is the right time for tourism to transition into a new kind of tourism that advocates for a more sustainable and resilient model capable of withstanding future crisis situations. It is observed that the reopening of borders for international tourists worldwide became the silver lining of the pandemic, thus opening the door to a new tourism era and doing things differently.

Mr Harry called upon the speakers and delegates to reimagine and transform the tourism industry in order to maximise potential and sustainability in the face of uncertainty. Towards this end, all participants, including policymakers, experts, academia, and tourism industry leaders, to benefit from this conference, which provides opportunities to deliberate and share best practices and deep insights into the theme "Reimagining Tourism Futures", to chart strategies for accelerating the recovery of the tourism industry.

**Officiating Address - Right Honourable Datuk Seri Panglima Haji Hajiji Haji Noor, Chief Minister of Sabah**

The officiating address of the conference was delivered by Hon. Datuk Seri Panglima Masidi Manjun, Minister of Local Government and Housing/Minister of Finance II on behalf of the Right Honourable Datuk Seri Panglima Haji Hajiji Haji Noor, Chief Minister of Sabah. It was emphasised that since the opening of Malaysia's borders on 1st April 2022, the country including Sabah state has been relentless in the pursuit of speeding up our tourism growth and development.

The initiatives taken by Sabah since 2021 that were highlighted included the implementation of a five-year Sabah *Maju Jaya* (SMJ) Development Plan, with three main thrusts: agriculture, industry, and tourism. It serves as a roadmap and is a pivotal blueprint to set a strategic direction for the state's economic development, with emphasis on human capital and well-being of the people as well as on connectivity, specifically green infrastructure and sustainability networks.

The three sectoral economic thrusts will provide clarity on Sabah's key focus areas, especially for businesses and investors. Sabah has continued to rake in good investments. From January to October 2022, RM12 billion worth of foreign investments and RM942 million in domestic investments were recorded.

The Sabah Government will empower local communities through Community-Based Rural Tourism, with a total budget of RM134.59 million. This will include the upgrading of tourism facilities and human capital development to advance Community Based Tourism.

Rural-based Tourism provides the opportunity the growth and improvement of Sabah's community-based tourism products through upskilling and product enhancement. This initiative has not only increased the State's tourism product offerings but also improved the economic livelihood of the communities. The Sabah Government brings to WTC 2022, the rich cultural diversity of the state's 27 districts and 11 sub-districts, showcasing its unique Community Based Tourism product offerings.

Sabah is on the path to recovery, with the aim to achieve international impactful high visibility tourism performance through joint promotional destination campaigns with industry and airlines, as well as media familiarisation programmes.

The Sabah Convention Bureau (SCB) will be established and operational by 2023. The SCB will accelerate the growth of the tourism industry through tourism-based Business Events to make Sabah a preferred destination for Meetings, Incentives, Conferences and Exhibitions/Events that will generate economic activities for the benefit of the hospitality, logistics, aviation and other related sectors.

## **KEYNOTE ADDRESS - TOURISM FUTURES REIMAGINED - EMERITUS PROF. DATO' CHM. DR MAZLIN BIN MOKHTAR**

### **Introduction**

The keynote address provided insights as follows:

- Countries must build their tourism sector in a more sustainable, better, and greener manner in accordance with national policies to address and mitigate the profound social and economic crisis that is looming for most of the world.
- The priority should be the people, particularly the most vulnerable, while not losing sight of the need to maintain planetary health and sustainable resource management.
- To address this, countries must develop strategic plans at all levels, from national to local council, according to the President of the UN Sustainable Development Solutions Network, Jeffrey D. Sachs.
- The UN's Intergovernmental Panel on Climate Change (IPCC) calls for better actions and thinking to rise to the challenges of escalating threats of climate change.
- In the case of Malaysia, sustainable policies, for example, were highlighted in Malaysia's National Tourism Policy (NTP) 2020-2030 and Water Sector Transformation Agenda 2040 (WST2040).
- Industries are encouraged to consider ESG (Environmental, Sustainability and Governance), in which businesses must share their progress with the public and demonstrate how they are contributing to the agenda of reducing carbon emissions. In addition to the UNSDGs at the global level, there are standards and guidelines that can be referred to at the regional and national levels.
- The Sustainable Development Goals (SDGs) were adopted in 2015 by more than 190 United Nations (UN) member states. There are 17 goals with 169 targets which address economic, environmental and social impacts, and are designed to form a blueprint for good growth, nationally and internationally, by 2030. The Sustainable Development Report 2021 published recently, was referenced as a guide on the ranking of respective countries based on a composite SDG Index.



### **Foresights For Sustainable Tourism**

- The largest market for sustainable tourism is the European and the Scandinavian countries. However, the fastest growing market is Asia and the Pacific. This has been clearly demonstrated by Sabah, which has led the country in terms of combining conservation and nature-based tourism.
- Some countries are heavily reliant on tourism and are being impacted by the pandemic and climate change. According to Malaysia's Chief Statistician, Dato' Sri Dr. Mohd Uzir Mahidin, climate change has caused the pattern of natural disasters to shift, resulting in erratic flooding late last year and early this year, costing the country an estimated RM6.1 billion, or 0.40% of the country's GDP.
- Earth Overshoot Day (EOD) marks the date when humanity's demand for ecological resources and services exceeds what the Earth can regenerate in that year. In other words, it is an indicator of how quickly a particular country's development trajectory will exceed its maximum carrying capacity.
- EOD is hosted and calculated by Global Footprint Network, an international research organization that provides decision-makers with a menu of tools to help the human economy operate within Earth's ecological limits.
- Among the countries with the earliest EOD in 2022, which is a signal for urgent attention to address the environmental issue, is Qatar (Feb 10), Luxembourg (Feb 14), Canada, the UAE & the United States (Mar 13). Malaysia's EOD is on May 16, along with Spain, Switzerland, the Bahamas, Montenegro & the United Kingdom. Indonesia is doing very well (Dec 3) and Jamaica ranks the best among all countries (Dec 20). This is a good guide for countries to assess their performance in terms of national footprint and biocapacity accounts so that the necessary measures can be undertaken.
- Water and material resources are at the heart of people's basic needs and are critical components of a successful global pandemic response. Since 1970, the use of natural resources has more than tripled, with increasingly negative consequences for the environment and human health.
- The use of these resources, as well as the associated benefits and environmental impacts, varies across countries and regions. High-income countries have material footprints of around 27 tonnes per person, which is 60% higher than upper-middle income countries in 2017 and more than 13 times the level of the low-income group. Countries will need to develop strategies that allow for sustainable, efficient, and equitable supply chains.

- According to Reddit (2021), the global figure for CO<sub>2</sub> emissions per capita in 2020 is 4.49 tonnes, with Malaysia (8.42 tonnes) and Singapore (8.00 tonnes) exceeding the global average while Myanmar having the lowest, 0.67 tonnes.
- According to Sustainable Travel International (2020), transportation has the highest carbon footprint of Global Tourism (49%), followed by goods (12%) and food and beverage (10%). Among the transportation modes, the highest contributor of carbon footprint is aeroplanes, followed by SUVs, small cars, motorcycles, transit buses, trains, tour buses and ferries.
- These scenarios served as an early warning signal on the urgent need to address issues of climate change and sustainable development.

### **Opportunities For Sustainable Tourism**

- Among the opportunities for sustainable tourism highlighted included the use of biofuels by the airline industry. Airlines such as Air Asia, Lufthansa, British Airways, United Airlines and KLM are taking steps to become more environmentally friendly by using biofuels on commercial flights.
- Conservation can serve as a means to develop and promote eco-tourism to generate income and employment. For instance, a former coal mining area of France now fuels green tourism and has been designated as a UNESCO World Heritage site, hosting hiking trails, a vineyard, and a ski slope.
- Kinabalu Park achieved the triple crown – World Heritage Site, Biosphere Reserve UNESCO and recently UNESCO Global GeoPark, which offered global recognition and raised awareness, thus contributing to its popularity among tourists.
- There are also opportunities to promote sustainable tourism through regional efforts. For example, the World Wide Fund for Nature's Heart of Borneo (HoB) programme, which is a conservation agreement to protect a 220,000 km<sup>2</sup> forested region on Borneo island. The governments of Brunei, Indonesia, and Malaysia signed the agreement on 12 February 2007 in Bali to support the initiative to preserve one of Borneo's best remaining rainforests and water catchments in the island's interior for the benefit of present and future generations.

- There are also opportunities for sustainable tourism via sustainable cities. For instance, Sunway City, Kuala Lumpur is pursuing the goal of becoming a smart and sustainable city by utilising cutting-edge technology and infrastructure. Its intended goal is to create a template for smart cities around the world, and it is well on its way to accomplishing this goal, having been named Malaysia's first sustainable city by the Green Building Index in 2012.
- The hotel sector also presents opportunities for sustainable tourism. According to the World Resources Institute (WRI) and sustainability organisation WRAP, with support from the Walmart Foundation and the Netherlands Government, participating hotels were able to reduce food waste by approximately 21% in just one year, saving US\$7 for every dollar invested. These findings have been welcomed by industry and sustainability actors for their potential contribution to achieving SDG target 12.3, which seeks to cut food waste in half by 2030.
- A high ESG rating has been linked to improved company performance. According to an analysis conducted by BlackRock, the world's largest management firm, during the peak of the COVID-19 pandemic in 2020, more than 8 out of 10 sustainable investment funds outperformed non-ESG-based share portfolios.
- ESG-related opportunities and risks are becoming increasingly important for financial institutions, allowing stakeholders and investors to direct their capital to investments that are aligned with sustainable activities and the investors' own principles and values. In this regard, ESG is high on the agenda of the Bursa Malaysia, where listed companies are encouraged to do ESG reporting, which will soon be mandatory.
- As a result, tourism operators need to familiarise themselves with ESG, which requires them to track and publicise the company's performance in terms of environment, social, and governance to boost company performance and returns.

### **Success Stories To Encourage Sustainable Tourism**

- In order to motivate policy makers, tourism providers, NGOs and academia, some success stories to encourage sustainable tourism were featured. One example is the Tambopata Candamo Reserved Zone in southeastern Peru, Rainforest Expeditions, a for-profit ecotourism company formed by Peruvian conservationists, has entered into a joint ecotourism venture with the Ese'jeja Indian community to attract tourists to a biologically rich site boasting macaws, giant river otters, and harpy eagles. The indigenous community

provides labor, lodging, and food for the project, and in return receives 60 percent of the profits from the joint venture. Both Rainforest Expeditions and the Ese'eja community realize that the success of their tourism venture depends on the protection of local wildlife resources. The site has become a highly-rated eco-tourism destination, developed innovative natural and cultural education programs, and played an increasingly important role in the conservation and sustainable development of the region.

- Another success story is in the State of Sabah, Malaysia that embarked on a plan to enhance land use planning through the Sabah Structural Plan (2013-2033) for conservation and sustainable development which covers Maliau Basin, Danum Valley and Tun Mustapha Marine Park. Danum Valley was one of Sabah's first to have a logged area on one side and an undeveloped area on the other, with the logged area managed through Sustainable Forest Management.
- Other success stories included the Langkawi Island is the 1<sup>st</sup> UNESCO Global Geopark in Malaysia since 2007 as well as in Southeast Asia, Putrajaya Lake is one of the 32 Ecohydrology Demonstration Sites of UNESCO IHP Ecohydrology Programme (EHP) in the world since 2010, conservation and preservation efforts of The Great Barrier Reef to revive the best eco-friendly experience of natural beauty for tourists, and innovations in environmental conservation by the Dutch government to allow wildlife to cross over busy roads from one part of a forest to another in complete safety via "ecoducts".
- All these inspiring stories are the result of the multi-helix collaboration and cooperation, which serves as a model to emulate.

### **Preparedness For Sustainable Tourism**

- The International Monetary Fund (IMF) suggested that governments provide financial assistance to the industry in a post-pandemic world, either directly or through soft loans and guarantees. Thailand, for example, allocated \$700 million to boost domestic tourism, while Vanuatu provided grants to small and medium-sized businesses.
- Some countries introduced innovative strategies and incentives to boost domestic tourism, restore traveller confidence, and strengthen tourism businesses. Costa Rica temporarily moved national holidays to Mondays to increase domestic tourism by extending weekends, while Barbados introduced a 'Welcome Stamp' visa, a one-year residency permit that allows remote employees to live and work in the country.

- Solutions will differ from one country to the next. Aside from the immediate priority of mitigating the pandemic's impact, countries will need to establish a "new normal" for the tourism industry. Towards this end, four key recovery priorities for the tourism sector included local tourism, ecological protection, improved infrastructure and rethinking air travel.
- These key priorities can be managed through the adaptation of technology to replace outdated traditional tourism practices, providing big data and enhancing security for travellers. Exploration of green policies to help prevent, prepare, respond and recover from disasters or emergencies. Good green governance also plays an important role in influencing sustainable tourism via the harmonization of policies and activities from the government sector and industry players.

### **Take-away Messages**

- It is imperative to tackle climate-change issues with greater urgency and undertake concerted efforts towards conservation and sustainable tourism development. Towards this end, tourism policy makers, NGOs and academia can make an assessment of the nation's performance by referring to indicators such as Earth Overshoot Day, tourism carbon footprint and CO2 emissions per capita to develop or fine-tune sustainable tourism development roadmap and strategies. In this regard, the multi-helix collaboration and cooperation can be adopted and adapted to achieve effective implementation and successful outcomes. For tourism enterprises, the way forward is to incorporate ESG principles and practices in the business plans and strategies.
- Digitalization, smart grid technology, monitoring, tracking, and reporting technology are the enablers that can be implemented to maximise the potential of sustainable tourism.

**DAY 01: 28 November 2022 (Monday)****SESSION 1: DECODING TOURISM FUTURES – FORESIGHT & SCENARIOS**

As tourism continues to be presented with challenges and uncertainties, there are multiple futures which the sector may be faced with. A foresight approach helps to envision the potential scenarios and provide a direction for the opportunities and challenges which lie ahead. This session analysed and discussed the future of tourism after the pandemic against the backdrop of a challenging global economic environment. The major topics included global megatrends, country level scenarios, mobility trends and potential pathways of change with a particular emphasis on the implications for sustainability.

**Moderator** : **Ms Jessy Chahal**  
News anchor, Bernama News

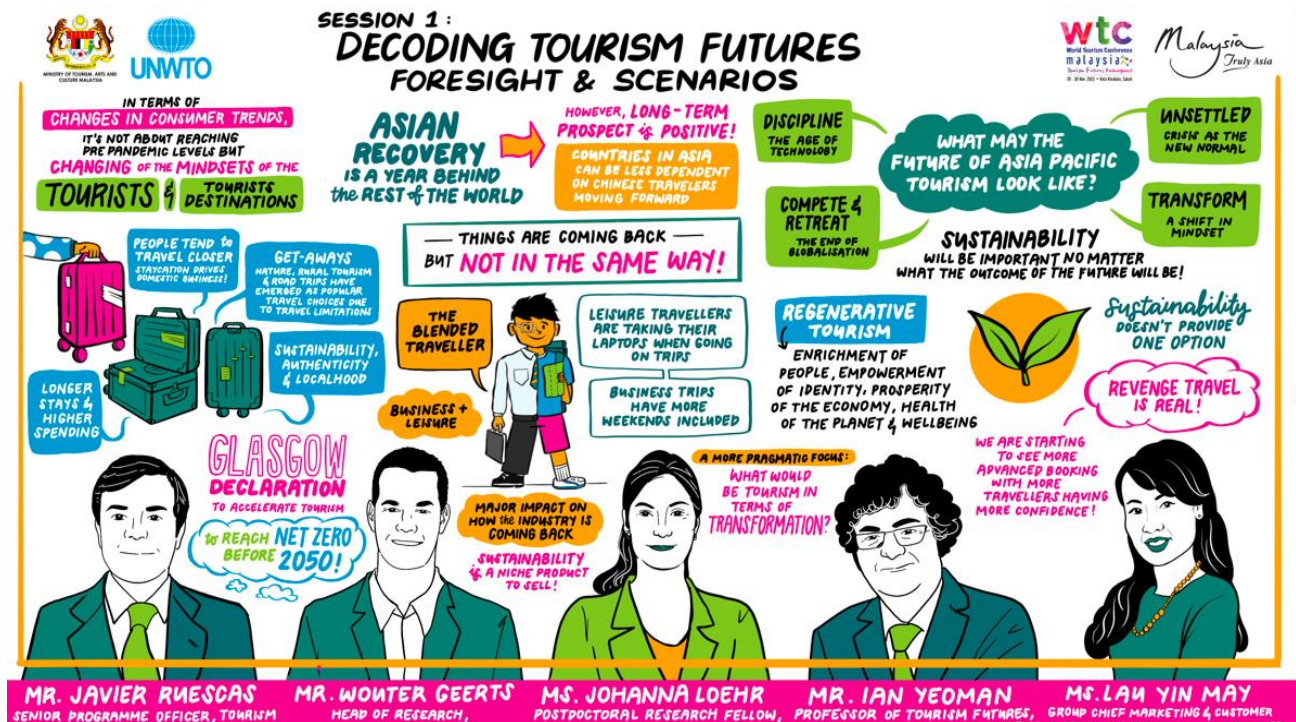
**Panelist** : **Mr. Javier Ruescas**  
Senior Programme Officer, Tourism Market Intelligence and Competitiveness, UNWTO

**Dr. Wouter Geerts**  
Head of Research, Skift

**Dr. Johanna Loehr**  
Postdoctoral Research Fellow, Griffith Institute for Tourism, Australia

**Dr. Ian Yeoman**  
Professor of Tourism Futures  
Victoria University of Wellington, New Zealand

**Ms. Lau Yin May**  
Group Chief Marketing & Customer Experience Officer, Malaysia Airlines



Graph 1. Sketch Post on Decoding Tourism Futures – Foresight and Scenarios

### 1.1 International Tourism Trends & Outlook - Javier Ruescas

#### HIGHLIGHTS

- International tourism continues to show a strong and steady recovery from the impact of the pandemic despite significant mounting economic and geopolitical challenges.
- International arrivals dropped 72% in 2020 and 70% in 2021 (compared to 2019) and remained 37% below pre-pandemic levels in the period January-September 2022.
- Some destinations recorded notable increases in international tourism receipts in the first seven to nine months of 2022, including Serbia, Romania, Türkiye, Latvia, Portugal, Pakistan, Mexico, Morocco and France.
- International tourism is on track to reach 65% of pre-pandemic levels by the end of 2022 as the sector continues to bounce back from the pandemic. Europe continues to lead the rebound of international tourism. The region welcomed 477 million

international arrivals in January-September 2022 (68% of the world total), hitting 81% of pre-pandemic levels.

- The Middle East saw international arrivals increase significantly (+225%) year on year in January-September 2022, climbing to 77% of pre-pandemic levels. In Asia and the Pacific (+230%) arrivals increased substantially in the first nine months of 2022, reflecting the opening of many destinations, including Japan at the end of September.
- However, arrivals in Asia and the Pacific remained 83% below 2019 levels. China, a key source market for the region, remains closed.

### KEY TAKEAWAYS AND WAY FORWARD

- The challenging economic environment, including persistently high inflation and soaring energy prices continue to weigh on the pace of recovery. The latest survey among the UNWTO Panel of Tourism Experts shows a downgrade in confidence levels for the last four months of 2022, reflecting a more cautious optimism.
- It is useful for tourism policy makers and industry players to note that the changes in consumer trends are gravitating towards closer to home travel, rural and nature get-aways and more responsible tourism. Information on the changes in tourism market trends are applicable and helpful to formulate tourism products and packages.
- Stronger-than-expected demand has also created important operational and workforce challenges in tourism companies and infrastructure, particularly airports. This is an important lesson: as countries and industry players across the entire value chain prepare for a surge in tourism demand, it is pertinent to ramp up tourism supply readiness.
- Sustainability will be important no matter what the future will be. Therefore, it is opportune to rethink tourism, where it is going, and how it impacts people and the planet. Hence, it is important to empower organisations to drive the right behaviours and habits to meet operational efficiencies, ESG priorities and UN SDGs. Towards this end, it is vital to build deep partnerships to support business in financing, supply chain and commercial endeavours. The relevant stakeholders are called to action as committed in the Glasgow Declaration on Climate Action in Tourism to achieve net zero by 2050. In this regard, five pathways have been identified, namely, Measure; Decarbonize; Regenerate; Collaborate; and Finance to ensure organizational resources and capacity are sufficient to meet objectives set out in climate plans.



## 1.2 Tourism in Transition - Dr. Wouter Geerts

### HIGHLIGHTS

- Prior to the pandemic, the volume of travel shifted eastward, with Asia Pacific accounting for 9 of the top 10 airline routes in 2019. However, things have shifted back to the west, with only one out of ten flights to Asia Pacific in 2022.
- In terms of recovery, the Asia Pacific is roughly a year behind the rest of the world, having only reached 70% of the 2019 performance level in 2022, which was the level of travel recovery already achieved by the other regions in 2021.
- At the moment, China's Zero Policy Covid is primarily a problem for the rest of Asia, particularly the Asia Pacific region, and 2023 is not expected to be the year of full recovery.
- Long-term prospects, however, remain positive, supported by IATA's projections that Asia Pacific will experience positive growth and opportunities in the coming decades.
- The pandemic has caused changes with the emergence of the blended traveller and conscious traveller.
- Blended travellers are a mix of business and leisure travellers who work from anywhere. This group of travellers tends to increase travel activity due to the dual purpose of travel. For instance, business trips that contain a weekend has increased from 31% in 2019 during pre-pandemic period to 38% in 2022. According to Skift research, there is an upward trend of travellers taking extended trips (more than 10 days) as well as more short-term trips (less than 10 days).
- According to Airbnb, 40% of its customers have no destination or date range in mind, creating opportunities for Airbnb to inspire people to where the supply is, transforming into a more inspirational platform.
- Business travellers are shifting away from staying in hotels and toward short-term rental accommodations that provide hotel-like services.
- The main issue for the conscious traveller is bridging the attitude-behaviour gap. According to a Lufthansa study, 78% of respondents want a more sustainable option, 73% are willing to pay, but only 1% actually paid for offset when booking

a flight. This clearly shows that there is a relatively high level of awareness and intent on sustainability but the level of action on the sustainability intent is rather low.

- Another significant issue that should be given attention is the rise in total emissions from the aviation industry despite the increased efficiency as reflected by the decline in average emissions per revenue passenger kilometre (RPK).
- Green tourism and business practices are becoming more important than before Covid-19 pandemic.

### KEY TAKEAWAYS AND WAY FORWARD

- Tourism must benefit both the travellers and the local community. The community has the power to shape the future, and tourism will only thrive if the community actively participates in it.
- Overtourism is more of an undermanagement issue that can be effectively managed by involving the tourism industry and local communities in addressing specific local issues and using a multi-stakeholder approach.
- Companies must reconsider how they conduct business, determining whether it is sustainable and beneficial to the local community in the long-term.
- Tourism operators must think outside the box to encourage and promote sustainability while also appreciating customers without emitting additional carbon.
- The tourism industry may consider three points: (1) how to deal with future crises, (2) identify business opportunities and ways to innovate to meet the changing traveller demands and expectations, and (3) begin adapting and thinking about how sustainability will stick with the tourists.
- Policymakers, businesses, and the local community must maintain an ongoing dialogue and forge a strategic partnership.

### 1.3 Tourism Futures and Implications for Sustainability - Dr. Johanna Loehr

#### HIGHLIGHTS

- The report by Asian Development Bank on Sustainable Tourism After Covid-19, Four Scenarios developed by Forum for the Future (2020) and Asia Pacific Tourism Futures co-authored by the presenter, provided the basis for this presentation. In this context, the probable future tourism trajectories after the pandemic were highlighted as follows:

i. Discipline – The Age of Technology

Under this scenario, the target is to maintain economic growth and globalisation. This is driven by digitalisation and control to manage disruptions and data to manage the pandemic and future disruptions to the economy. This results in more efficient systems and enforced compliance. The negative outcomes include loss of jobs and connectedness as well as eroded diversification and empowerment.

ii. Compete and Retreat – The End of Globalization

This scenario is geared towards maintaining stability within countries. This trajectory pictures a future of enhanced nationalism, and a decline in global approaches and solidarity. National interests will dominate and efforts are focussed on domestic tourism and self-sufficiency. The positive outcomes include community cohesion and resilience, cultural identity, reduced transport needs and emissions.

iii. Unsettled – Crisis as the New Normal

The goal of this future scenario is to maximise resilience and adaptability. It imagines a world moving from one shock to another, including resource scarcity, climate events, and extended conflict. The uncertainty associated with such a volatile world will present a major challenge for the tourism industry. Under this scenario, broad progress against the SDGs will be difficult to achieve, and the adaptability of businesses and governments will be of primary importance. This scenario calls for the augmentation of adaptive capacity by transforming business models, strengthening governance, and diversifying markets to build the resilience of tourism.

iv. Transform – A Shift in Mindset

This scenario envisions a more sustainable, equitable, and low-carbon world. It requires the largest shift in mindsets and economic systems from exploitative practices to regenerative ones. Finance and funding for environmentally

friendly infrastructure will be critical, as will deeper coordination between the public and private sectors. It requires a combination of incentivizing sustainable behaviour alongside regulations to discourage unsustainable behaviour. The positive outcomes include increased health, inclusion, environmental funding, resilient destinations, sustainability, and reduced climate risk.

Six pathways to achieve sustainable tourism development were presented as follows:

- i. **Value-Driven Tourism**  
Focus on quality and yield over quantity. Ensure that tourism sites are effectively managed and in compliance with the carrying capacity. Leverage on uniqueness of place and measure success and report on progress in a transparent manner.
- ii. **Decarbonizing Tourism**  
It is crucial to set targets, measure and manage initiatives to decarbonise tourism. This can be done by enabling low-carbon industry practices and increasing knowledge and carbon literacy.
- iii. **Tourism-led regeneration**  
This pathway can be done through fostering ecological restoration, encouraging cultural thriving, and promoting health and subjective well-being.
- iv. **Diversify (visitor) economy**  
This pathway is realised by diversifying markets, products, workforce and economy.
- v. **Improve governance of tourism**  
The levers for change include policy integration across sectors (e.g. climate change), collaboration across sectors, governments and businesses, enhancement of disaster risk management and adaptation capacity.
- vi. **Aligning tourism finance and funding with sustainability**  
The measures include seeking new revenue sources for sustainable tourism and making green finance options accessible to smaller scale projects.

## KEY TAKEAWAYS AND WAY FORWARD

- The presentation heightened the awareness that while Covid-19 pandemic is an unprecedented crisis, however, the tourism fraternity must not lose sight of

greater and more challenging crises looming in the horizon, such as, global recession, climate change and biodiversity collapse. As such, concerted efforts need to be taken to focus on building back better to develop a more resilient, and greener tourism industry.

- The four probable scenarios provide a glimpse of the trajectories that may be encountered by the tourism industry. The different scenarios offer interesting topics for research by the academia. Each tourism scenarios presents insights which are useful for policy makers and industry players to position and adopt appropriate strategies to build resilience and minimise the risks.
- The six pathways with the levers for change serves as a good guide for policy makers and industry players in pursuit of sustainable tourism development.

#### **1.4 Tourism Futures Case Study - Dr. Ian Yeoman**

##### **HIGHLIGHTS**

- The speaker shared his perspectives on how New Zealand (NZ) dealt with the pandemic and their responses to the future of tourism. Tourism is NZ's largest export earner, accounting for 19% of its export earnings.
- Border closures have impacted 11% of NZ's tourism-related population.
- The Minister of Tourism, Hon. Kelvin Davis in consultation with the Tourism Futures Taskforce formulated Regenerative Tourism - Visions of the Future to tackle the adverse impact of Covid-19 on the economy. It focused on five principles: (1) for the enrichment of people, (2) for the enlivenment of identity, (3) for the prosperity of the economy, (4) for the health of the planet, and (5) for the well-being of all.
- A year later, the new Minister of Tourism, Hon. Stuart Nash, shuts down the Tourism Futures Taskforce and adopted a more pragmatic approach. The Tourism Industry Transformation Plan (TIP) was launched with four framing questions, i.e (1) How will a volatile and changing world reshape New Zealand tourism?, (2) How will the future of wealth shape the future of New Zealand tourism?, (3) How do the planets eco-system align with human values?, and (4) Is technology a substitute for labour supply?
- The Tourism ITP's overarching goal is to contribute to the development of a regenerative tourism system. A regenerative tourism system is one that leaves

people, communities, and the environment in better shape than they were before, and it can be thought of as an extension of sustainability.

- It is based on a phased-approach and focuses energy on targeted actions needed to deliver systemic change, rather than producing another inventory of industry issues and challenges.
- The ITP adapted a futures method to create alternative future narratives, drawing upon the work of Professor Jim Daytona on Alternative Futures Framework. It is based on four generic images of the future, namely collapse, continued growth, discipline, and transformation. It is premised on the principles of plurality; one future is about the world collapsing, and what circumstances would lead to the end of the world. Growth is viewed as a continuation or business as usual i.e., what would tourism look like in 2030/2040? Discipline is a scenario whereby difficult decisions must be made and behaviours to adapt in order to have a different future given the internal and environmental constraints, and the transformation future scenario is about Utopia – ideal perfection whereby new technology, business, or social factors disruptively transform the tourism landscape.
- In order to answer the framing questions, among the scenarios that were developed as follows:
  - i. Future of Work – with the continuation scenario, “Weekend’s Only” was highlighted. It is a scenario about tourism businesses’ constant struggle for labour which resulted in a smaller but more professional industry. It proposes an initiative to structure a route for apprenticeship enabling a part-time pathway for seniors to technical education degrees to address the labour shortage issue;
  - ii. Eco-system – with the collapse scenario “Extinction” was emphasized, which depicts both declining planetary health and societal conditions. It represents a scenario whereby the stakeholders could not make the right decisions about the planet, and tourism is partially to be blamed. The key decision is at what point in the future does New Zealand abandon a proactive policy on climate change which is ineffective?

## KEY TAKEAWAYS AND WAY FORWARD

In summary, the lessons learned from New Zealand are as follows:

- i. When planning work on future scenarios, try to understand the dynamics of power politics that have a significant impact on policy and strategy formulation;
- ii. Approach the future with pragmatism;
- iii. Incorporate futures thinking into policy decisions while looking for indicators of current scenarios; and
- iv. The New Zealand case study on futures thinking is useful as a reference for policy makers, industry players and academia to initiate similar studies to gain insights for strategic planning to future-proof tourism for recovery, growth, resilience and sustainability.

### **1.5 Understanding Tomorrow's Travellers - Lau Yin May**

#### **HIGHLIGHTS**

- When compared to 2019 levels, Latin America (98.4%) leads the regional post-COVID recovery, while Europe (81.9%) and Asia Pacific (65.2%) lag behind, with recovery rates below the global average of 85.8%.
- The primary risks to recovery are related to geopolitical and macroeconomic concerns. The global market will fully recover in 2024, led by the United States, while APAC and Africa are expected to recover in 2025.
- Travel restrictions have lingered longer in Asia-Pacific, notably in China, dampening the recovery in international connectivity in the region.
- Among the largest markets in the Asia Pacific region, passenger traffic recovery led by the Southwest Pacific (Australia, New Zealand) & Southeast Asia sub-regions but remained below pre-pandemic levels in almost all countries, with Northeast Asia (China, HK, Japan, Taiwan) trailing behind.
- Vietnam is the only country that has recovered to pre-pandemic levels. Travel originating from Vietnam has seen a strong recovery in 2021, surpassing its 2019 level since May 2022.
- Changes in travel trends post-covid highlighted include longer stays for longer play, healthier lifestyles through wellness, shorter booking windows maybe short-lived.

- Millennials and Generation Z are more willing to travel, and they prefer to visit less crowded and unfamiliar places, with an increased interest in exploring secondary destinations and nature.
- The new segment of mobile workers working online from locations of their choice gave rise to more than 25 countries globally offering remote work visas including Malaysia and Thailand.
- There is a need for the aviation industry to urgently address the issue of global emissions as it is projected that aviation's share of global emissions may increase by 2-6 times in 2050 with 2019 as the base year based on the business-as-usual scenario.

### KEY TAKEAWAYS AND WAY FORWARD

- The insights shared on the changing trends of tomorrow's travellers are relevant information for policy makers and tourism industry players to formulate strategic plans, develop tourism products and services, design tour packages, launch marketing and promotion campaigns that cater to the preferences of tourists.
- The presentation underscored an urgent call to action to address the global emissions of the aviation industry as a business-as-usual scenario will result in an increase of 2-6 times in aviation's share of global emissions. This is an alarming prospect not consistent with the global strategic intent to achieve net zero CO2 emission in 2050.



**DAY 01: 28 November 2022 (Monday)****SESSION 2: DISCOVERING NICHE OPPORTUNITIES FOR GROWTH**

According to a post-pandemic UNWTO Panel of Experts survey, the major segments driving tourism recovery include domestic tourism, travel close to home, open air-activities, nature-based products and rural tourism. However, there is considerable debate if these short-term trends can translate into a more transformative change for the sector. Using evidence from the pandemic and beyond, this session identified new sources of growth for tourism by looking at key market shifts that are reshaping consumer demand.

**Moderator : Ms. Naila Huda**

Broadcast Journalist and Reporter, Astro Awani

**Panelist : Jane Lim**

Vice President, Global Markets, Tripadvisor

**Ms. Arifah Sharifuddin**

Head of Malaysia Digital Nomad Department  
Malaysia Digital Economy Corporation (MDEC)

**Yusno Yunos**

CEO & Founder, Evenesis

**Dr. Laszlo Puczko**

CEO & Co-Founder, Health Tourism Worldwide, Hungary

**Dr. Amran Hamzah**

Professor in Tourism Planning, Universiti Teknologi Malaysia

**Dr. MaklarinLakim**

Director, Sabah Parks



Graph 2. Sketch Post on Discovering Niche Opportunities for Growth

## SESSION 2: Discovering Niche Opportunities for Growth

### 2.1 Market Shifts - Here to Stay or Business as Usual? - Jane Lim

#### HIGHLIGHTS

- TripAdvisor is the world's largest travel guidance platform, with 1 billion reviews and moments, 215 million traveller photos, and 8 million listings worldwide on accommodations, cruises, airlines, restaurants, and experiences and attractions.
- Travel according to TripAdvisor is exploring different ways of living; connecting with loved ones and strangers; discovering destinations as well as stepping out of your comfort zone and into new cultures.
- Travel is about experiences that define who you are as a person. There is no better way to travel than to create new experiences and memorable moments.

- After years of being cooped up at home, consumers around the world are yearning for new experiences that do not have to be far away as they cope with their new reality – the desire for escapism and the need to unwind continues to grow.
- Consumers are now seeking experiential and immersive vacations evidenced by the following data:
  - i. 80% of travellers would visit local landmarks or cultural attractions on their next vacation;
  - ii. 73% of future travellers prioritise new experiences;
  - iii. 44% think visiting specific attractions/attending specific events is important for their next vacation; and
  - iv. 34% are planning cultural/sightseeing trips this winter.
- This means that experience now guides destination selection rather than the other way around. Quality online reviews are also extremely/very important to 56% of travellers when making booking decisions.
- Tripadvisor reaches all types of undecided travellers looking for new experiences by directing them to the best of the best "Things to Do" via the Travelers' Choice programme.
- During the pandemic, there was a surge in outdoor attractions/activities, however it is slowly dropping as international borders have opened. As international travel is picking up, a survey done by TripAdvisor showed that:
  - i. In terms of share of experiences, shopping tours, visiting sites and landmarks are increasing.
    - a. The top 5 attractions globally are the Eiffel Tower, Paris, the Colosseum, Rome, the Harry Potter Tour in London, the Luxury Canal Tour in Amsterdam & the Louvre Museum in Paris.
    - b. In APAC, the top attractions are Universal Studios Japan, Jultu Pul Hanging Bridge, India, Tirumala Temple, India, Chatuchak Weekend Market, Bangkok and the Universal Studios Singapore.
  - ii. Value for money and price are the most important factors to consumers when choosing travel accommodation;
  - iii. People want flexibility and protection in their travel (flexible cancellation policies, insurance, etc.);
  - iv. When choosing an airline, best pricing and flexible cancellation are the most important;
  - v. Travelers are concerned about inflation, however, 80% of people are still saving for travel in the year 2022; and

- vi. Although almost all respondents agree that inflation will impact travel, it is likely they will still travel over the holidays. Only 4% will likely not end up traveling at all.
- Global trends in 2023:
  - i. Travel remains top priority this winter holiday season, even more than last year;
  - ii. Now is the time to influence prospective travellers, as approximately 7 in 10 respondents have not yet booked holiday travel;
  - iii. International holiday travel intent is up by +17% from the same time last year, but overall domestic travel still dominates holiday travel planning;
  - iv. This holiday season, about 6 in 10 respondents will travel to a destination with family/friends; and
  - v. Exploring new restaurants is the most exciting element for half of respondents for their next big trip;

## KEY TAKEAWAYS AND WAY FORWARD

- The insights gained from the Question and Answer session are as follows:
  - i. TripAdvisor is increasingly attempting to match its customers' interests. When users search, products relevant to their interests are surfaced. If someone is travelling with their family, for example, family-friendly listings will appear. Tripadvisor has niche communities on their platform to connect consumers with specific interests such as hiking, running and so forth;
  - ii. Are we gradually reverting to our old ways, business as usual? – Basically, consumer behaviour is to some extent returning to normal ways, however some things have changed, such as flexible cancellation, attention to hygiene, focus on sustainability and knowing the identity of travel of the younger generation;
  - iii. Metaverse is still a relatively new concept for Tripadvisor, with a promising future but a slow start for the time being; and
  - iv. Niche and mass tourism can coexist with suppliers having a diverse and balanced set of customer databases, both mass and niche, to ensure that their inventory is fully utilised.

- The studies by Tripadvisor indicate a positive tourism outlook ahead. In this regard, tourism providers need to step up their readiness to cater to the expected surge in global tourism as travel remains a top priority. This is driven by consumers who are increasingly seeking experiential and immersive vacations as they desire for escapism and the need to unwind grows - both at home and abroad.
- Sedentary travel is not the future, nor is cookie-cutter package tourism. Consumer attitudes are shifting, and people want to travel more emotionally and personally. As a result, tour operators must understand how a travel experience can truly transform and provide customers with a new, unique, and authentic way to understand the culture of the people and places visited and in the process create memorable experiences.

## **2.2 DE Rantau, Work, Play & Travel in Malaysia - Arifah Sharifuddin,**

### **HIGHLIGHTS**

- Earlier this year, MDEC launched Malaysia Digital, a national strategic initiative aimed at encouraging and attracting companies, talents, and investment, as well as enabling Malaysian businesses and people to play a leading role in the global digital revolution and digital economy.
- Malaysia Digital's vision is to position Malaysia as the preferred hub for world-class digital businesses and talent. Its mission is to propel the digital economy forward through high-impact catalytic initiatives, strategic and long-term investments, and inclusive policies.
- The term "Digital Nomad" refers to a new trend in the tourism industry. They are essentially professionals who use technology to work remotely from various locations, moving from one to another. The majority of them are self-employed, freelancers, or contractors who prefer to stay in one place for 3 to 9 months.
- There are currently 35 million Digital Nomads worldwide, with a projected increase to 1 billion by 2035. After Mexico and Columbia, South East Asia is one of their most popular destinations.
- They earned around USD2,000 per month on average, with the majority working in IT, digital marketing, creative content, and content development. They spend an average of USD1,285 per month on lodging, food, and transportation.

- Malaysia has a strong and distinct offering that is rich in culture, arts, and heritage, is digital nomad friendly, has a robust technology ecosystem and community, and provides affordable living, a safe, and a high-quality lifestyle.
- Malaysia offers Digital Economy (DE) Rantau with the objective of making Malaysia the preferred ASEAN Digital Nomad hub, promoting digital professional mobility across the country, and accelerating digital adoption and economic activities. MDEC also looks at the supply side of DE, namely the accommodation operators, industry players and platform service providers.
- DE Rantau offers 3 programmes:
  - i. DE Rantau Nomad Pass: A professional visit pass allowing digital nomads to stay for 3-12 months;
  - ii. DE Rantau Hubs: Accommodations certified to be fit for digital nomads. Currently there are 185 DE Rantau Hubs Certified in Langkawi, Penang and Kuala Lumpur; and
  - iii. DE Rantau Ecosystem: Digital services and communities to support & enrich nomadic lifestyles. DE Rantau App is a mobile app designed specifically for DE Rantau members to access all of the services provided by MDEC's partners and assist them in deciding whether to relocate from one location to another in Malaysia.
- Among the mandatory qualifying criteria for digital nomads to be part of DE Rantau are:
  - i. Foreign & Malaysian Nomads who are freelancers and remote workers in the IT and digital domain;
  - ii. Able to show proof of work in the form of active project/employment contract;
  - iii. Annual income of more than USD24,000 per year; and
  - iv. Having a professional visit pass, that will allow them to stay for 3-12 months, bring their spouse and children, with a fee of RM1,000.
- There are 40 countries worldwide that offer the Digital Nomad Pass, but only in Malaysia do we provide it as a complete programme to ensure that everything is fully supported.
- There are 8 pilot locations in Malaysia chosen from cities frequented by global digital nomads and recorded on Nomad Community platforms.

## KEY TAKEAWAYS AND WAY FORWARD

The Question and Answer session provided insights as follows:

- DE Rantau was launched in September 2022, and its Nomad pass application was opened on 1st October 2022. To date, there have been 1,600 international applications and 400 from locals.
- MDEC received numerous enquiries from the Digital Nomads and collaborated with the Home Affairs Ministry to adjust the requirements so that they could be met. Other states, including Terengganu, Kelantan, and Pahang, have also asked to be considered for the new DE Rantau Hub.
- The specific target market for positioning Malaysia as the preferred ASEAN Digital Nomad hub are nomads who are in the Asia Pacific region.
- MDEC's role is to facilitate the development of sectors impacted by digital technology advancements. DE Rantau is a catalytic programme that fosters further advancements in the tourism sector in terms of digital adoption and transformation. Malaysia has long been a transit destination, so with this programme, we encourage Digital Nomads to work and travel leisurely, which means they will spend more money in the country, benefiting our economy.

The key takeaways are as follows:

- As a result of the pandemic, an increasing number of people are opting for a location-independent, technology-enabled lifestyle that allows them to travel and work remotely. Countries that are largely dependent on tourism have and will continue to capitalize on the remote work norm the world over in a bid to recover some revenue lost to travel restrictions.
- Bottom line, countries will eventually have to make the necessary adjustments and compromises to adapt and attract this new segment of tourists. Continuous advancements in mobile and cloud computing will invariably result in a better and more reliable remote level in the future, thus accelerating the growth of digital nomads.
- Digital nomads can be viewed as a new segment of long-stay tourists with potential for growth. It offers opportunities for policy makers and relevant tourism providers to tap new sources of growth for the economy.

## 2.3 Should Tourism Go Metaverse? - Yusno Yunos

### HIGHLIGHTS

- Tourism in the metaverse would serve as an inspiration, allowing consumers to virtually try out attractions before purchasing, gain confidence in the product, and explore the space, size, and features in XR.
- The global metaverse market was valued at USD63.83 billion in 2021 and is expected to be worth USD800 billion by 2024. 51% of Metaverse users are aged 13 and under. As a result, the market will be enormous in roughly another 6 to 7 years, and we should be exploring this opportunity now to avoid losing revenue from these markets.
- Sharjahverse in the United Arab Emirates is the world's first government-supported Metaverse city, which not only promotes the emirate to a wider audience but also strengthens the local tourism industry by allowing locals to work at famous landmarks in the metaverse.
- As the new era of tourism through the metaverse expands, it will enable better travel and tour experiences, create new job opportunities, improve virtual trade and commerce, increase personalised interaction, leverage NFT utility and place a greater emphasis on human well-being, social inclusion, and sustainability.

### KEY TAKEAWAYS AND WAY FORWARD

The Question and Answer session revealed insights as follows:

- In terms of costing, there are numerous platforms available to operators interested in creating metaverse experiences. As a result, it would not be difficult to create these experiences, as many things on the internet are free.
- The metaverse population may believe that it is not a niche tourism product. Given the number of younger generations in the population, the metaverse will grow in popularity. Do not be afraid of new technology; instead, try to understand how it can be used to expand and inspire tourism.



- Regarding the concern of the high energy usage of the blockchain metaverse, it was noted that metaverse will run on standard servers, which will consume a lot of energy, making it unsustainable. However, as technology advances, much effort has been put into increasing blockchain efficiency, so this should not be a problem in the near future.

The key takeaways are as follows:

- Metaverse tourism is a novel idea that merits greater attention. The metaverse can be used to inspire travel and tours. It should be viewed as an extension of tourism rather than a replacement.
- Metaverse can be leveraged to generate new sources of growth for tourism.

## **2.4 Luxury or Lifestyle : Health & Wellness Tourism Insight - Dr. Laszlo Puczko**

### **HIGHLIGHTS**

- Health tourism refers to types of tourism that have as their primary motivation the contribution to physical, mental, and spiritual health through medical and wellness-based activities that increase individuals' capacity to satisfy their own needs and function better within their environment and society. In a nutshell, health tourism is any activity that contributes to our well-being and is a combination of medical and wellness tourism.
- The majority of leisure and tourism activities are essentially a marketplace of experiences, with customers providing the 'mental places' where the acquired experience (e.g., visiting a hot spring / vineyard / lavender field / hospital) takes place. To attract more tourists, every brand destination can create an unusual experience and selling point.
- Health engagement levels can be utilised to determine the different demand opportunities for health tourism:
  - i. Accidental : a tourist decides to get a check-up after seeing a good price while at the destination;
  - ii. Curiosity : a tourist who has never heard of treatment before decides to try it.
  - iii. Hybrid : halfway through a cultural visit, it transforms into a wellness visit;

- iv. Dedicated : one week yoga treatment or cancer treatment package; and
- v. Lifestyle : vegan, fitness, and massage enthusiast.

- Any type of tourism, whether cultural or heritage, can easily incorporate health and wellness services.

### KEY TAKEAWAYS AND WAY FORWARD

The Question and Answer session yielded insights as follows:

- Local government's role in promoting health and wellness tourism is to provide developers with guidance on local assets that can be incorporated into product offerings to make guests feel better and happier.
- Post-pandemic, healthcare tourism has an encouraging trend. Healthcare tourism destinations must be able to demonstrate their success stories and deliver on their promises.

Key takeaways are as follows:

- Health tourism is unquestionably the new tourism niche. In contrast to traditional tourism, in which people travel to see new places and cultures, health tourism can be defined as travel motivated primarily by medical and wellness concerns.
- Health tourism can be leveraged to increase tourist expenditure by packaging with other tourism segments such as cultural tourism, heritage tourism, adventure tourism, ecotourism, rural tourism, city-breaks and sports tourism.
- In order to attract these types of tourists, it is critical that we create a unique experience and selling point for a destination, and the government can help by providing proper landscape and guidance to operators in customising their product offerings.
- There is a lot of room for innovation and tourism providers can draw inspiration from the examples of creative tourism offerings such as Wellinent Snowga, LandScape, Natural Spectacle, SenseScape, DreamScape, SoundScape, and Social Wellness.
- The pointers to consider when developing a health tourism product are valuable to the industry players. In this regard, the following may be adapted and applied:
  - i. Define the wellbeing assets and stories; ii. Introduce story telling in different

forms, journeys, and rituals; iii. Produce and share evidence; iv. Mentor operators and guide developers; and v. Look for fusion and innovative combinations of tourism products and services.

## **2.5 Regenerative Community Based Tourism: Case of Miso Walai Homestay - Dr. Amran Hamzah**

- Using Miso Walai Homestay as a case study, the presentation focused on regenerative tourism, which aims to undo the harm that the system has done to the natural world by using nature's principles to create life-supporting conditions.
- The principles of regenerative tourism includes: (i) community needs first, (ii) improve ecosystem integrity and biodiversity, (iii) embrace diverse and inclusive business models, (iv) develop transparent governance structures accountable to all stakeholders and (v) enhance regenerative partnerships.
- In 1996, WWF Norway proposed developing community-based ecotourism (CBT) in Kampung Batu Puteh, where Miso Walai Homestay is located, and it took them three years to persuade the locals that CBT is a good way to earn a sustainable livelihood.
- Prior to the pandemic, tourist arrivals in Miso Walai reached 5,000, with approximately 8000 nights spent at a rate of RM2,500 per night. Koperasi Pelancongan Kg. Batu Puteh (KOPEL) became one of Malaysia's most successful CBT.
- Due to the pandemic, there was almost no tourism income for two years, as KOPEL is almost entirely dependent on international tourists. However, Miso Walai is now firmly on the road to recovery
- The following were the success factors for Miso Walai Homestay:
  - i) Agility of community leadership
    - KOPEL expanded community forest restoration and leveraged funding for Green Recovery initiatives
    - KOPEL management wrote to donors and was successful in obtaining new grants
  - ii) Head start in community forest restoration
    - Community forest restoration was a part of Miso Walai's USP since its inception
    - Targeting international voluntourism companies
    - Creating new jobs and income for housewives

- Increasing local capacity and social capital
- iii) Partnership with voluntourism companies
  - KOPEL has strong networking with specialist tour operators for e.g. Raleigh International, GVI, Intrepid Travel and Sticky Rice and international donors/local NGOs for conservation projects such as American Forest, Discovery Channel, Ricoh, Yayasan Hasanah , Regrow Borneo and Danau Girang
- iv) Trust and reputation building
  - KOPEL has achieved gold standard in community forest restoration
  - From being a fringe player, KOPEL is now the 'gatekeeper' to forest landscape restoration in the Kinabatangan Corridor of Life
- v) Nurture citizen science
  - On-site training in water quality monitoring and internship in Japan
  - Significant use of citizen science in monitoring state of environment
  - Offspring of Miso Walai's pioneers completed tertiary education, specialising in resource/ environmental management
- vi) Intrinsic motivation for environmental stewardship
  - In the post pandemic tourism landscape, intrinsic motivation such as love of nature, has taken precedence over earning jobs and income from forest restoration projects
- vii) Embrace information technology
  - Partnering with EcoWatcher to 'sell', 'take care', 'bring up' and 'love' planted saplings until they are 3 years old
  - Creating innovative income stream based on fun and interactive online interaction with 'buyers' and 'sponsors'
  - Buyers'/'sponsors' can track amount of carbon being sequestered by their 'trees'
- KOPEL is no longer satisfied with displaying an aerial view of forest restoration success. Their recent graduates are mastering techniques for calculating carbon sequestration in order to demonstrate a new type of success metric.
- KOPEL is also expanding restoration along oil palm plantation riparian reserves and mainstreaming community forest restoration as part of a larger climate change mitigation/adaptation agenda.
- The speaker identified 3 prospects or opportunities in using IoT:
  - i) Enticing online 'buyers'/'sponsors' to physically visit their adoptive trees
  - ii) Producing dedicated virtual tours for 'buyers'
  - iii) Developing capacity to compete internationally using IoT

- In 2021, Miso Walai Homestay was awarded UNWTO Best Tourism Village. It is not the most picturesque or beautiful village, but it is the best at using rural tourism as an economic driver. Moreover, it teaches important lessons about perseverance, resilience, and innovation.

### KEY TAKEAWAYS AND WAY FORWARD

The insights gained from the Question and Answer session are as follows:

- In order to avoid tokenism and misconduct in voluntourism programmes, Miso Walai, undertook engagement sessions with the members of the community to determine how their participation in the programme can be fully optimised.
- The approach to replicate the forest restoration model to other locations involve determining the location of the CBT destination and identifying their partners, in Miso Walai's case, KOPEL. It is also crucial to include the community and local operators in the development of an action plan.
- With regards to setting aside funds for conservation, it was noted that Governments must identify the larger strategic direction when allocating conservation funds in order to avoid the practise of funding non-viable projects.
- On the issue of the possibility of coexistence of mass and niche tourism, it is projected that there will certainly be a future demand for customised travel. According to a study conducted for Tourism Malaysia, the Chinese market will not return until at least 2024, and when they do, they will not travel in large package-groups, but in small groups. As a result, tour operators should tailor their offerings and focus on the important elements, such as tourist experience.

The key takeaways and way forward are as follows:

- Community-based tourism can move up the value chain through training and education. For example, KOPEL has raised their value proposition from showcasing their success in forest restoration success to calculating carbon sequestration to demonstrate a scientific evidence-based metric for success. This was due to the children of KOPEL members who have graduated with the competency in the calculation of carbon sequestration. As such, with the ability to measure the contribution of Miso Walai conservation efforts in reducing the amount of carbon dioxide in the atmosphere with the goal of reducing global climate change, there is a potential to generate new sources of income through carbon trading, for example via Bursa Carbon Exchange.

- KOPEL can serve as a model for other CBT initiatives to replicate by expanding restoration along oil palm plantation riparian reserves and mainstreaming community forest restoration as part of a larger climate change mitigation agenda.
- The other innovative ideas that can be adopted and adapted by other CBT projects are opportunities to generate additional income using IoT by:
  - i) Enticing online 'buyers' and 'sponsors' to physically visit their adoptive trees;
  - ii) Producing dedicated virtual tours for 'buyers' and 'sponsors'; and
  - iii) Developing capacity to compete internationally using IoT.
- Despite not be the most picturesque or beautiful village, Miso Walai Homestay was awarded UNWTO Best Tourism Village. The competitive edge for Miso Walai, however, as its excellence in harnessing rural tourism as an economic driver and the innovative CBT approaches. The success of Miso Walai hinges on perseverance, resilience, and innovation, which are key lessons for other aspiring CBT projects.
- The success story of Miso Walai Homestay and the lessons learned can be applied as a model for other villages in Malaysia and other countries to implement CBT in a systematic manner.

## **2.6 Adventure and Nature-based Tourism: Sabah Parks' Perspectives – Dr. Maklarin Lakim**

### **HIGHLIGHTS**

- Sabah Park has been a huge success in adventure and nature tourism in Sabah, Malaysia. For the past 58 years, Sabah Parks has been in charge of not only maintaining Mount Kinabalu as a well-preserved area, but also expanding the area to include other sites and ecosystems with unique features in Sabah.
- Kinabalu National Park in 1964 and Tunku Abdul Rahman National Park in 1974 were first gazetted under the National Parks Ordinance 1962, which was replaced by the National Parks Enactment of 1977. This Enactment empowered the Board of Trustees not only to preserve and protect national parks in the State but also national reserves.

- The National Parks Enactment of 1977 was then repealed and replaced by the new Parks Enactment of 1984 with the objective to streamline the control and management of parks in Sabah and to redefine the boundaries of all the parks.
- Under the new Enactment, the location and extent of each park were clearly shown, and a land title for each park was vested in the name of the Sabah Parks Board of Trustees for a period of 999 years free of all liabilities and encumbrances. With the passage of this new Act, the State's five existing national parks were reconstituted as state parks and renamed (1) Taman Kinabalu (Kinabalu Park), (2) Taman Tunku Abdul Rahman (Tunku Abdul Rahman Park), (3) Taman Pulau Penyu (Turtle Islands Park), (4) Taman Pulau Tiga (Pulau Tiga Park), and (5) Taman Bukit Tawau (Tawau Park) (Tawau Hills Park).
- The Sabah Parks Board of Trustees consists of ten (10) members appointed by His Excellency the Head of State of Sabah and formulates policies to be implemented by Sabah Parks management. Sabah Parks is a statutory body that reports to the Ministry of Tourism, Culture, and Environment in Sabah.
- Sabah Park has been striving to become Sabah's primary capital for adventure and nature tourism, and as a result, the systematic expansion of Sabah Parks resulted in 9 parks, 24 stations with recreation zones, and 5 aspiring sites that are expected to be gazetted soon. Currently, Sabah Parks covers about 16.5% of Sabah's area.
- The parks have also expanded in terms of accolades from international bodies like UNESCO, namely: WHS, CRBR and Global Geopark, and regional recognition of AHP, TIHPA (Bilateral agreement 1996).
- Sabah Parks also prepared a holistic management plan in terms of roles and functions by formulating a new strategic plan (Strategic Planning 2025) launched in 2014 with the vision "People of Sabah live in harmony with nature."
- Nature is preserved through tourism, specifically adventure tourism, which helps to cover the costs of preservation because boundary demarcation, patrols, and infrastructure provision are not cheap and can be difficult at times. The roles of parks include (1) recreation zone development, (2) access and facilities and (3) safety and security.
- The Government of Sabah recognises the importance of nature-based tourism as a future socioeconomic tool for people. It serves as the foundation for long-term development in accordance with the United Nations' Sustainable Development Goals (SDG). Local communities are involved in the park's socio-economic activities (they are the major stakeholder in the park's preservation).

- Types of adventure nature tourism within terrestrial parks are mountain climbing, bird watching, canopy walkway, camping picnic and jungle trekking while snorkelling, beach sun bathing, camping, scuba diving, island hopping and hill tracking are examples of nature tourism within marine parks.
- Prior to the pandemic, 1.7 million people visited Sabah Parks, generating over RM72 million of income, a figure that has dropped to 76% during the pandemic. Despite adherence to the carrying capacity, Kinabalu Park receives over 0.7 million visitors per year.
- The top 5 issues and challenges faced by Sabah Parks are natural disaster (climate change effect), cleanliness (people awareness), carrying capacity of parks, infrastructure provision (limited funding), enforcement and detrimental harvest (especially marine).
- The Kota Kinabalu Declaration, agreed upon at the 2nd Asia Parks Congress in May 2022, calls on Asian and global leaders to negotiate strong global targets for protected and conserved areas, implemented with sufficient financial resources to ensure fair and effective results for people and nature. The Declaration emphasised Indigenous peoples' and some local communities' roles as customary owners and custodians of biodiversity and socio-ecological well-being. The Declaration also emphasises the importance of Indigenous peoples' and local communities' full, effective, and meaningful participation in policy arenas that have the potential to impact their collective and individual rights, as well as their lands, territories, and resources.

### KEY TAKEAWAYS AND WAY FORWARD

The insights from the Question and Answer session are:

- Parks are, without a doubt, managed by large business entities, but there are numerous socioeconomic opportunities in the park's surrounding areas in which the smaller industry participants can participate in conservation efforts.
- On the question of whether there should be control or a lower number of operators in naturally conserved areas, it was highlighted that Sabah Parks has only allowed a few operators to operate in order to conserve nature, and it is critical to control the development of infrastructure in protected areas. It is also vital to enable the development of the socioeconomic local community.
- On the prospects of archaeology tourism, it was noted that Sabah Parks, archaeology is a resource that can be developed as a tourism product by



leveraging the two most important factors, namely, tourist experience and carrying capacity.

The key takeaways are as follows:

- Sabah Parks is well positioned for tourism in the post-pandemic period. This is because it focuses on two niche tourism segments, i.e. adventure and nature tourism that have received a lot of attention from tourists, and this trend is here to stay. The success of Sabah Parks presents a compelling case to develop adventure and nature tourism as a new source of tourism growth.
- Sabah Parks is a success story to emulate in terms of the importance of tourism product conservation in attracting its own segments of tourists by leveraging on the site's unique selling propositions.

**DAY 2: 28 November 2022 (Monday)****SESSION 3: REDEFINING TOURISM SUCCESS – INSPIRING STORIES**

Building on strong pent-up demand, post pandemic tourism successes are a testament to the great flexibility and adaptive capacity of the sector. As proven by most of these inspiring stories, destinations and tourism related businesses have thrived by deepening existing linkages with interrelated sectors such as transport, cities and human settlement, public health, safety and liveability. This session focussed on the extraordinary success stories from outstanding tourism leaders and captains of industry for policy makers, industry players and stakeholders to emulate and adopt the best practices.

Panelist : Mr. Gary Bowerman  
Director, Check-in Asia

Dr. Ahmed Salih  
Minister of State, Ministry of Tourism, Republic of Maldives

Mr. Brent Anderson  
Regional General Manager, Tourism Australia

Mr. Ben Owen  
Project Manager, Centre Stage Project, UNWTO

Mr. Albert  
Co – Founder, Traveloka

Ms. Rachel Lum  
Co-Founder, LokaLocal

Ms. Natalie Kidd  
Chief People & Purpose Officer, Intrepid Travel

Ms. Jessica Yew  
Co- Founder & Director, Sticky Rice Travel



Graph 3. Sketch Post on Redefining Tourism Success – Inspiring Stories

## SESSION 3: REDEFINING TOURISM SUCCESS – INSPIRING STORIES

### 3.1 The Power of Narratives in Revitalising Tourism - Gary Bowerman

#### HIGHLIGHTS

- Every single traveler has their own way of narrative and way of travelling. Narrative has been a powerful tool in promotion where travelers talked about lifestyle, shopping, retails etc. through story-telling. Change is all around where superapps are also a new-it in tourism such as Grab and Traveloka. Through superapps people are able to connect with their loved ones where travelers shared about their journey and integrated it with their lifestyle.
- There are 6 narrative voices to think about as tourism recovers:

- a) Insider voice. For instance, tour guide in Vietnam that shared his experiences to the tourist;
- b) Augmented voice. For instance, the new virtual influencer by Korea Tourism where they created virtual idol with more engaging persona to attract youths;
- c) Experienced voice. For instance, Taiwan is actively reaching out to older tourist as we are seeing the trend of aging population travelling more;
- d) Live voice. For instance, live streaming the in-thing that started off in China. It started as online platforms that sell products that allows interaction between sellers and buyers. During lockdown in 2021, one of the most popular travel agencies in China known as Ctrip managed to gain huge profits by selling products via online as it is cheap and managed to engage with young people;
- e) Organic voice. Food concept is one of the most powerful tools to connect with people. People in Vietnam travelled to search for new food and experience whereas there is Michelin effect (people attracted to try food that has been recognised by Michelin Star) vs Bourdain effect (the travelling chef that explores the backstory of the food); and
- f) Unexpected voice. For instance, the people that we met that shared their stories through their experiences.

### KEY TAKEAWAYS AND WAY FORWARD

- Narrative is a powerful promotion tool where the people get to share their experience when travelling to certain places. With the current scenario where social media has a huge impact on our lifestyle, it is crucial for us to always keep pace with the changes globally.
- The key takeaway is to understand the different narrative voices that are trending so as to develop an appropriate story-telling and narrative for effective marketing and promotion. The six narrative voices provide an interesting framework to develop tourism products and service that cater to the diverse demands and preferences of tourists.

### 3.2 One Island, One Resort: The Maldives' Remarkable Recovery – Dr. Ahmed Salih

- 'Relax, enjoy and dream' is the selling point of Maldives. Maldives has been tremendously expanding their tourism industry since 1972 when they started with a humble tourism destination to a World Leading Destination winner for year of 2020, 2021 and 2022 consecutively.

- As the pandemic hit tourism industry globally, Maldives being heavily dependent on tourism also suffered significant losses.
- Maldives, however, was able to re-bound, be resilient and undertake measures to intervene and recover just like in the external shocks in 2004 (Tsunami) and 2008 (economy downturn) hit.
- Maldives changed their game by tapping into digital platform, established sustainable communication plan to involve all relevant stakeholders as every party has important roles to play and promote Maldives as safe haven to aspiring tourists.

### HIGHLIGHTS

The key success factors in realising a faster recovery than global average in response to Covid-19 pandemic are as follows:

- Timely strategic interventions taken by the Government;
- Communication plan to inform on the safety and control measures for Covid-19 prevention as well as steps taken for recovery;
- Strong public and private sector partnership;
- Close relationship with international stakeholders;
- Provision of financial support to the industry; and
- Maintain brand loyalty and awareness as the most preferred destination in the world.

### KEY TAKEAWAYS AND WAY FORWARD

The way forward towards tourism recovery, resilience and sustainability in tourism that can be considered are as follows:

- Ensure health and safety protocols are in place and effectively implemented;
- Intensify efforts towards digitalisation;

- Enhance regional collaboration;
- Formulate sustainable tourism development plan;
- Promote inbound market diversification;
- Adapt to changes in consumer demand; and
- Support local destinations and their communities.

### **3.3 Women Empowerment: COVID-19 Tourism Recovery - Ben Owen**

- Centre Stage is a project with the vision to place women's empowerment and gender equality as a top priority during the tourism recovery from the COVID19 pandemic. It was implemented based on strategic partnership involving the government, 10 business representing the private sector and 4 NGOs/Academia.
- The UNWTO study on the impact of the COVID 19 pandemic on the role of women in the tourism sector was conducted in Dominican Republic, Costa Rica, Jordan and Mexico. The results of this study indicated that women are more negatively affected than men by the pandemic. The study results provided the basis for the formulation of an action plan which comprised i. the public sector personalized extensive action plans; and ii. standardised private sector 1- year action plan that cover areas such as procurement, visibility, sexual harassment, training, maternity, career progression and data.
- These action plans yielded positive outcomes such as political commitment, knowledge products, capacity development and training, and awareness raising campaign. In addition, it resulted in the Implementation of ILO conventions C183 on Maternity Protection and C190 on Harassment and Violence, gender-sensitive policy-making and businesses, concrete knowledge products and training materials on gender equality and women's empowerment in tourism and primary data on women in tourism sector.
- This study has created a participatory model for change, involving collaboration between the public sector, private sector, civil societies, and international organisations.
- UNWTO is committed to continue working on the fulfilment of SDG 5 goals, and to develop a network of future leaders in gender equality and women's empowerment.

## KEY TAKEAWAYS AND WAY FORWARD

- Centre Stage is a successful project that achieved the desired outcomes of gender equality and women empowerment. It is an inspiring story to spur the roll-out of similar projects in other countries.
- The action plans, lessons learnt, and key success factors can serve as a guide to develop projects to assist women affected by Covid-19 pandemic.
- Women empowerment and gender equality are important agendas not only to achieve goals of SDG 5 but also to maximise the potential of human capital and socioeconomic development.

### 3.4 Reimagining The Visitor Economy: Thrive 2030 – Brent Anderson

## HIGHLIGHTS

- Thrive 2030 is Australia's national strategy for the long-term sustainable growth of the visitor economy. It consists of three (3) themes:
  - i. Theme 1: Diversifying markets, experiences and destinations. For example, respectful inclusion of First Nations peoples and cultures;
  - ii. Theme 2: Modernising the visitor economy workforce, infrastructure and business; and
  - iii. Theme 3: Collaborating between industry and government at every level, including by using high-quality data and insights.
- Thrive 2030 also consists of ten (10) rules of marketing which are:
  - a) Win in consideration where Australia's focus on trends are upward for the tourists;
  - b) Competitive experiences to focus on experiences which are not only on demand, but also overdeliver;
  - c) Always be distinctive. Rely on what is familiar about Australia, but build something distinctive too. For example, Australia offers experiences through the eyes of the Indigenous peoples via sustainability stories – living stories where tourists can experience Australia's culture. Australia's also using the

power of tourism in driving new connections with nature by using sustainability and culture champions.

- d) Creatively ambitious where Australia used kangaroo CGI during the Come and say G'day campaign where it portrays Australia's warm welcome to the tourists. Also, Australia used Australia's stars to make work that people want to talk about and share.
  - e) Clever investment in areas that matter;
  - f) Meaningful impact by appealing to big spenders;
  - g) Broad appeal to maximise perception of value;
  - h) Timely delivery to meet tourism demand;
  - i) Consistent presence to drive long-term brand growth; and
  - j) Feed the funnel by focusing on competitive advantage.
- Australia's Indigenous cultures and peoples are at the heart of Australia's new promotion and marketing campaign.

### KEY TAKEAWAYS AND WAY FORWARD

- It is crucial for a country to focus on competitive strength and be distinctive in the tourism product offerings. In this regard, the key takeaway is to focus on competitive experiences which means to develop tourism products and services that are not only in demand but also in areas where there is capacity and capability to overdeliver.
- Sharing experiences through the eyes of tourism heroes and indigenous people are one of best tourism marketing tools.
- In the era of digitalisation and social media, greater benefits and impact can be derived by creating innovative tourism products and services that travellers want to talk about and share.
- The 10 rules of destination marketing are relevant and useful for national tourism organisations and industry players to develop effective marketing and promotion campaigns.



### 3.5 Southeast Asia's Leading Travel Platform Powered by Innovation – Albert

#### HIGHLIGHTS

- Technology advancement has changed the way people travel which promises more interactive and exciting experiences. Traveloka started as a company to solve a central problem by developing travel and meta search engine simplifying travel from Indonesia to the world. Currently, Traveloka is the leading travel platform in the region empowering millions of consumers to explore the world.
- Traveloka believes that through technology as an enabler, it would create more impact on people including democratising financial inclusion, addressing sustainability in travel choices and increasing flexibility to provide more convenient products and services.
- The pandemic has created unprecedented challenges for the travel and tourism sector but has also provided the opportunity to innovate and evolve especially through digital platforms. Technological collaborations and innovations within the ecosystem are essential to ensure the revival of the travel and tourism sector.

#### KEY TAKEAWAYS AND WAY FORWARD

- To survive the Covid-19 pandemic, Traveloka leveraged on technology to thrive and move forward based on the demand-driven principle to deliver products and services for consumers in the relevant markets.
- The future that can be reimagined is the trend towards easing of travel activities, fostering environmentally-friendly behaviour and empowering local communities.
- A successful business venture can be created by solving a pain point or problem experienced by tourists, as shown by Traveloka. For instance, Traveloka's business was initiated 10 years ago to overcome the difficulties experienced by tourists in terms of access to tourism information and travel

booking arrangements from Indonesia to the world. Currently, Traveloka has expanded to 6 countries across Southeast Asia.

- The return of marquee business events in Southeast Asia augurs well for the tourism industry. The rise in the number of major business events such as international meetings, exhibitions and conventions hosted in the region indicated the viability to host such events physically and the confidence and readiness to travel. This signifies an encouraging outlook for a more vibrant events industry that can be tapped as a business opportunity by the relevant industry players.

### **3.6 Immersive Virtual Experiences with a Human Touch - Rachel Lum**

#### **HIGHLIGHTS**

- LokaLocal was established in 2016 as Malaysia's largest local online marketplace for local experience. Malaysia is a multicultural country with beautiful sceneries, different foods, variety of jungles and every state has its own culture.
- The focus of LokaLocal was on 80% of foreigners but because of the pandemic it impacted on the tourism industry. As a result, the focus shifted in 2020 towards local destinations marketing services offering domestic tourism, promoting less crowded destinations and initiating virtual tourism 'with me' 360° virtual tours.
- During the lockdown, LokaLocal introduced online experience to continue engaging the audience and adopted VR to enhance value offerings.
- The strategy was to leverage on Malaysia's roots and heritage and the company's core strengths in storytelling, relationship, experience and technology.
- During and post Covid-19, LokaLocal launched an outreach programme to empower local guides to generate alternative revenue streams for Kuala Lumpur Heritage Walks, Tanjung Tualang, National Mosque and Mah Meri Cultural Village.
- Another initiative was tapping into vertical industries like medical tourism, education, property, retail, industrial, museum, shopping mall and corporate branding.

- Other initiatives include engaging a new generation traveller with future-forward marketing, capturing a moment in time, securing their legacies for the future generation, supporting geotourism and geoheritage sites in Langkawi, Labuan & Selangor, supporting local talents with hybrid events and developing virtual reality guidebooks.

### KEY TAKEAWAYS AND WAY FORWARD

- LokaLocal is an inspirational story that demonstrates the success of a tourism business in weathering the severe onslaught of the Covid-19 pandemic through creative strategies and pivoting to tap into vertical industries to generate new non-traditional income streams.
- The key takeaways offer ideas for similar tourism-related firms to emulate and move forward to adapt, upskill and evolve to develop resilient and sustainable enterprises. In this regard, the strategic initiatives that can be considered for adaptation and adoption are as follows:
  - i. Developing alternative revenue streams by tapping into vertical industries;
  - ii. Extending service offerings by introducing online experiences;
  - iii. Enhancing experiences with the application of technology such as Virtual Reality;
  - iv. Sharpening skills and creating new forms of storytelling;
  - v. Preserving local culture and traditions; and
  - vi. Supporting national geopark conservation.

### 3.7 Building the Best Travel Company for the World - Natalie Kidd

#### HIGHLIGHTS

- Intrepid Travel's mission is to inspire, create, share and lead the best travel experiences for people and the earth. As the world is currently facing an alarming climate crisis which has caused major travel disruptions, Intrepid has

developed an essential tool kit/ policy with the view to becoming a responsible travel company.

- The company emphasizes on maximizing the benefits driven by the principle of responsible travel, which outlines the commitment to investing in sustainability and creating good business by setting science-based targets.
- Through these practices, every company can measure its emissions and determine the level of reductions needed to attain the target of zero carbon footprint by 2050.
- Intrepid also launched a decarbonization programme through creative and innovative practices such as encouraging alternative mode of transport other than air travel, promoting renewable energy-powered tours using electric cars and engaging with tourism suppliers to assist and jointly collaborate to implement solutions.
- Intrepid strongly urged the tourism fraternity to join this decarbonisation journey and start taking actions together towards mitigating and avoiding the disastrous impact of climate change.

### KEY TAKEAWAYS AND WAY FORWARD

- The takeaway message that resonated in a powerful manner is the statement, “We’re in a Climate Emergency”. In this regard, decarbonisation was stressed as the only path forward and there was a call to action by all tourism stakeholders.
- The recommendations for companies to get started on their sustainability or decarbonization journey are to obtain guidance from the following:
  - i. Intrepid Travel Decarbonization;
  - ii. Glasgow Declaration; and
  - iii. Science-Based Targets.

### 3.8 Resilience Through Value - Jessica Yew

### HIGHLIGHTS

- Sticky Rice Travel is a responsible tour operator based in Sabah with the corporate culture that is reflected by the tagline “Resilience through Values”.
- A critical success factor to successfully navigate the uncertainty, complexity, volatility and challenging environment during Covid-19 pandemic was effective communication. Towards this end, the HEART framework of communication was adopted, which is translated as H – humanise the company, E- educate about change, A- assure stability, R- revolutionise offerings and T-tackle the future.
- The other key success factors were:
  - i. Intensifying the culture of resilience and collaboration;
  - ii. Reimagining the travel experience by rebuilding;
  - iii. Taking time to move at one’s own pace and not lose sight of the company’s core values; and
  - iv. Embedding into the company strategies the triple bottom line commitment which balances the needs of the people, planet and profit.

### **KEY TAKEAWAYS AND WAY FORWARD**

- The key takeaways are the valuable lessons that can be drawn for tourism enterprises to be better equipped to face any pandemic or crisis in the future.
- The Sticky Rice Travel success story is a motivation for industry players to strive towards being a responsible tourism operator or business.
- A strong corporate culture is crucial, for instance “Resilience through Values”, which is anchored on ethics and integrity, people development, open and courageous communications, and triple bottom line commitment, has yielded immense value to Sticky Rice Travel and developed resilience and sustainability.

**DAY 2: 28 November 2022 (Monday)****SESSION 4: REBUILDING TOURISM RESILIENCE AND READINESS**

Moving forward, tourism related businesses should increasingly look to other economic sectors in order to adopt the best business practices and global certification systems which can enhance corporate governance and foster a more progressive ecosystem for investments. This session covered key topics such as ESG (Environmental, Social Governance) and sustainability assessment tools, among others, which can help prepare tourism businesses and workers for future crises and discover impact assessment opportunities for tourism from an investor's perspective.

**Moderator** : Philip See  
CEO, Firefly and Radio Presenter, BFM

**Panelist** : Dr. Raymond Rastegar  
Researcher and Lecturer, UQ Business School,  
The University of Queensland, Australia

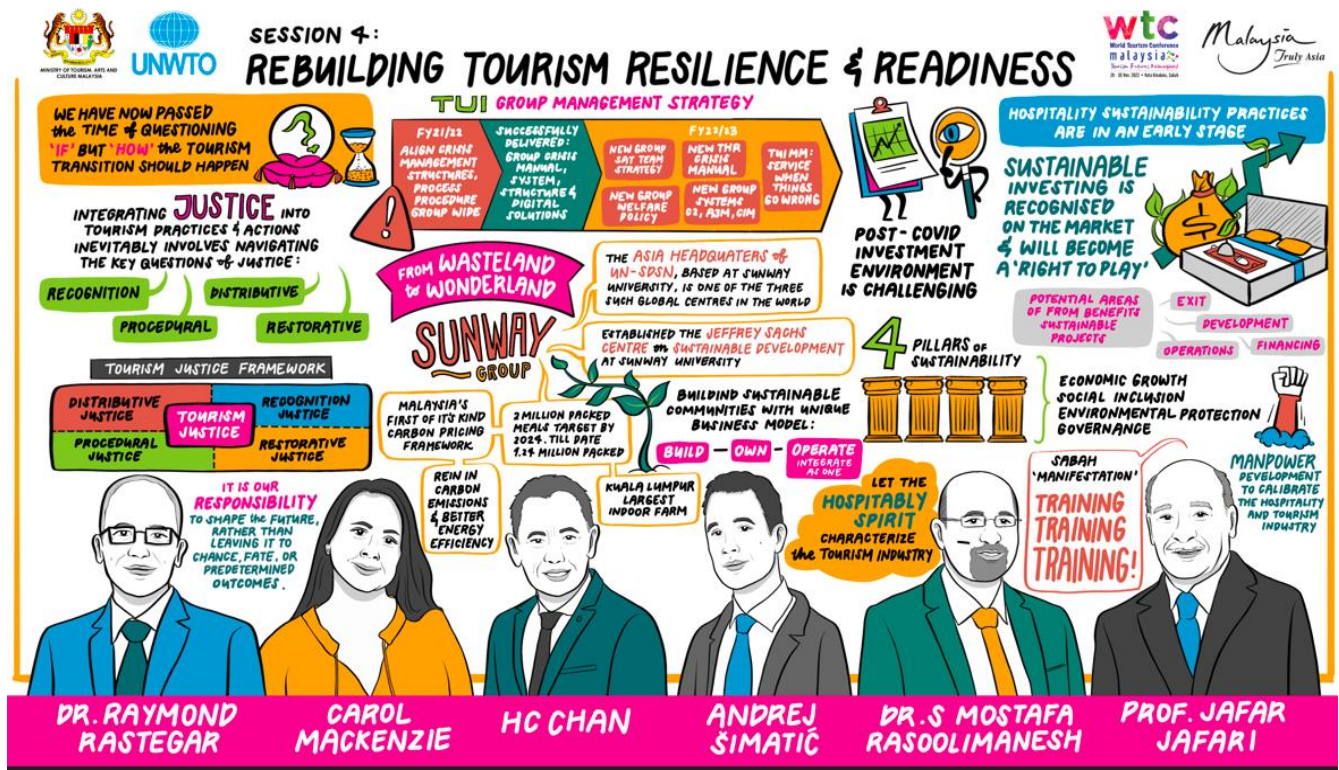
Carol Mackenzie  
Group Head of Crisis Management & Business Country,  
TUI Group

HC Chan  
CEO, Sunway Malls & Theme Parks

Andrej Simatik  
Partner, BlueRock Consulting Austria & Croatia

Dr. S. Mostafa Rasoolimanesh  
Director of Centre for Research and Innovation in Tourism (CRiT),  
Taylor's University, Malaysia

Prof. Jafar Jafari  
Professor of Hospitality & Tourism,  
University of Wisconsin-Stout, USA



Graph 4. Sketch Post on Rebuilding Tourism Resilience and Readiness

## SESSION 4: Rebuilding Tourism Resilience and Readiness

### 4.1 Sustainability Transitions in the Face of Global Crisis - Raymond Rastegar

#### HIGHLIGHTS

- The challenges in sustainability transability can be attributed to the unjust structures of the contemporary tourism system built on dominant humanism frameworks that have been unable to address issues such as the omission of non-western perspectives and exclusion of marginalised groups. Therefore, it is an imperative to integrate justice into tourism practices and actions.
- Justice in tourism practices is important to ensure that the needs, values, views, rights and knowledge of protected areas, heritage tourism, nature-based tourism and indigenous communities are recognised and integrated. Bringing justice to the centre of sustainability transitions involves actions and working together at the global, national and local levels.

- To address the needs of sustainability transitions, a tourism justice framework was highlighted, which is divided into four main areas: i. distributive justice; ii. recognition justice; iii. procedural justice; and iv. restorative justice.

### KEY TAKEAWAYS AND WAY FORWARD

- The tourism justice framework was developed to ensure that the right questions are asked when dealing with justice in tourism sustainability. For example, What are we doing to help the community and what more could be done? In order to ask the right question, it is vital to engage and talk to local communities at the grassroots level.
- The tourism justice framework is relevant and useful to stakeholders who are finding solutions to rebuilding tourism resilience and readiness.
- A key takeaway in moving forward is that the future is not predictable but there are choices to be made. It is our responsibility, therefore, to shape the future, rather than leaving it to chance, fate or predetermined outcomes. Towards this end, it is an imperative for the global community to move towards not only more “sustainable” but also “just” tourism futures.

#### 4.2 Preparing Tourism Firms for Future Crisis: The Case of TUI – Carol Mackenzie

### HIGHLIGHTS

- TUI Group owned and operated 400 hotels, 3 cruise companies, TUI Musement, consisting of services tours & activities businesses serving 10,000 million customers, tour operators/travel agencies in 13 countries and 5 airlines, operating from 9 countries.
- Among the challenges faced by TUI are the COVID-19 crisis where approximately 80% of businesses were closed during the pandemic, increased cyber threats, travel disruptions affecting airport operators due to delayed flight payments and agents unable to fulfil schedules and finally natural disasters such as hurricane Fiona and Ian impacting over 40,000 customers and damaging hotels and infrastructures causing repatriation of customers and crew.



- In the year 2021/22, TUI successfully aligned crisis management structures, processes, procedures and digital solutions, which in turn, led to the successful execution and delivery of the group crisis management strategy. The Group Crisis System, Group Crisis Structure & Systems and Virtual Crisis Rooms allow for each business to work independently but to come together as a group when needed with the required functionality for future operations and crisis.
- The TUI Group security, health and safety strategic approach is focused on the concerted efforts to drive towards achieving harmonisation and efficiency, delivering safety risk management, being the industry leader and ensuring continuous learning and growing.

### KEY TAKEAWAYS AND WAY FORWARD

- The key takeaway is to incorporate risk management as an important pillar in business and strategic plans to future-proof the tourism industry to be resilient and sustainable. Risk management is an important area that has not been given adequate attention by policy makers, industry players and academia.
- Systems & customers are the key aspects to consider in establishing an effective crisis management strategy. In addition, it is necessary to have in-built structures and systems that strive towards continuous learning, managing disruptions effectively and investing in people and the organisation.

### 4.3 From Wasteland to Wonderland – ESG: A Competitive Advantage – Lessons from Sunway Group – HC Chan

### HIGHLIGHTS

- Sunway Group's success story is aptly captioned "From Wasteland to Wonderland", a tin-mining wasteland was transformed into an integrated smart and sustainable township.
- With corporate strategy of leveraging ESG as a competitive advantage, some of the major initiatives undertaken included:

- i. Demonstrating a strong commitment to climate change action by setting the targets of halving CO2 emissions by 2030 and achieving net zero by 2050.
  - ii. Embracing the business philosophy of sustainable development and commitment to the 17 United Nations Sustainable Development Goals (SDGs).
  - iii. Establishing the Asia Headquarters of the United Nations Sustainable Development Solutions Network (UN-SDSN), based at Sunway University. It is one of only three such global centres in the world. Hence, Sunway City Kuala Lumpur is ranked alongside New York City and Paris. These three initiatives stated above are some examples of Sunway's commitment to be in the forefront of the environment component of ESG strategies.
  - iv. Creating a foundation to advance quality education and research, projects to rise against hunger, accelerating food production and uplifting communities in the quest for championing the social pillar of ESG.
  - v. Upholding the highest standards of integrity, business conduct and professionalism based on the corporate core values of Integrity, Humility and Excellence in compliance with the Governance pillar of ESG.
- As part of the efforts to achieve net zero emission target by 2050, some of the key measures taken include developing internal carbon pricing, engaging with stakeholders to reduce carbon emissions, establishing carbon storage and capture; as well as investing in large-scale renewable energy projects.
  - In building sustainable communities, a unique business model of: Build → Own → Operate: Integrate As One Sustainable Township with the aim to offer long-term commitment and assurance to the community for their well-being.
  - To achieve business and social sustainability during the pandemic in the retail business, Sunway Group concentrated on three key strategies.
    - i. cash flow management to assist shopping mall tenants with the maxim of shared burden and shared prosperity;
    - ii. confidence management to heighten business innovation and safety bar; and
    - iii. sustaining tenant occupancy.

These measures were effective as the overall sales turnover of Sunway shopping malls was 12% higher in 2022 compared to 2019, hence, signalling a sterling recovery which surpassed pre-pandemic sales performance.

### KEY TAKEAWAYS AND WAY FORWARD

- Sunway Group is a champion of sustainable development and market leader in ESG initiatives. The enabling factors such as the organizations' value system; doing what is right; and the company's philosophy that embraces the triple bottom line concept of people, planet, and profit.
- Another key takeaway is that the Sunway Group example has evidently shown that ESG and sustainable development initiatives do reap a premium with higher returns to investment in terms of people, planet and profit. This is an encouragement to tourism businesses to adopt and enhance ESG and sustainable development principles in the organisation's philosophy, strategy and practices as the way forward.

#### 4.4 Sustainable Investments : The New Chapter In Tourism and Hospitality Investments – Andrej Simantik

### HIGHLIGHTS

- An overview of selected practices in hospitality industry contributing to project sustainability reveals that hospitality sustainability practices are still in an early stage.
- Findings based on data show that sustainable investment has better returns:
  - i. 81% of sustainable indices outperformed their peer benchmarks in 2020;
  - ii. BlackRock announced in January 2020 that it will put sustainability in the heart of its investment's decisions;
  - iii. 63% of companies stated positive impact of ESG propositions on equity returns; and

- iv. More than 20% higher valuation for companies proactively addressing climate change.
- Sustainable projects can benefit the investors and owners in many areas such as quality of development, financing, operations, and higher valuations.
- BlueRock's approach to sustainable hospitality projects are guided by the following steps:
  - i. Identifying tourist experiences;
  - ii. Identifying potential guest segments;
  - iii. Prioritising guest segments and experiences;
  - iv. Preliminary definition of experiential zones;
  - v. Defining the preliminary concept of the project;
  - vi. Defining the customer journey;
  - vii. Defining concept, operating model and sizing; and
  - viii. Calculating and assessing the financial modelling of the concept.
- Two key trends that will shape sustainable investments are:
  - i. How to integrate sustainability elements into the business with the help of destination and
  - ii. How to monitor and measure the results to gain tangible benefits and impacts.

### **KEY TAKEAWAYS AND WAY FORWARD**

- Sustainability is a long-term game that has good payoffs for investors and owners of tourism enterprises.
- In order to attract investments and better financing terms, it is pertinent to incorporate sustainability options and perspectives throughout the various stages of the project development process.
- Putting sustainability at the core of the tourism business strategic plan is inevitable in the future as it will become a “right to play”.
- BlueRock's approach to sustainable hospitality projects and the key trends shaping sustainable investments are useful information for tourism industry players to adopt and adapt with a view to attracting investments, obtaining better financing and other tangible benefits.

#### **4.5 Sustainable Tourism Index as a Scorecard for Destinations - Dr. S Mostafa Rasoolimanesh**

##### **HIGHLIGHTS**

- The presentation explained how data and numbers can contribute to achieving tourism sustainability. It is important to continuously work on rebuilding tourism resilience and readiness to be able to overcome any crisis that may suddenly arise.
- The concept of sustainability is not a luxurious thing, but everyone should start doing it now. To achieve sustainable tourism, numerous challenges faced by the world that would need to be tackled include waste production, water and air pollution, traffic congestion, carbon footprint and inefficient natural resources management.
- The Sustainable Tourism Index (STI), which is highly relevant to the UNSDG is developed based on four pillars of sustainability including economic growth, social inclusion, environmental protection and governance. Stakeholders need to involve residents, tourists, businesses, and the government sector. The objective indicators are based on five dimensions; economic, socio-cultural, environmental, political and technology.
- The STI calculates scorecards ranging from 0 to 100, whereby a higher score is desired, and it has a positive correlation with level of sustainability of a destination. Hence, STI allows tourism plans to be developed or prioritised based on the score for each dimension as sustainability of destination can be traced and monitored.

##### **KEY TAKEAWAYS AND WAY FORWARD**

- The key takeaway is the urgency and importance of the sustainability efforts, which needs to be given immediate attention, which reinforces similar views articulated by other speakers. The message of sustainability as an imperative and not a luxury of choice is strongly emphasised.

- The Sustainable Tourism Index is an important tool to measure and monitor the progress of sustainability programmes. It provides scorecards on the level of sustainability of a destination so that policy makers and industry players can identify strengths and weaknesses of the various dimensions being measured and take the necessary remedial action to improve the level of sustainability.
- The academia can contribute by doing research on STI and propose measures to enhance sustainability of destinations.

#### **4.6 Engineering Tourism Transformation : Turn On The Manpower Development Engine - Prof. Jafar Jafari**

##### **HIGHLIGHTS**

- The areas of coverage on the theme “Tourism Future Reimagined” highlighted at WTC 2022 are numerous and wide ranging, but manpower development is singled out and placed in the core, as the engine for driving tourism to higher grounds in the years ahead. This is based on the premise that: “Education is the most powerful weapon which you can use to change the world” (Nelson Mandela), education/training is one of the cornerstones of tourism transformation and tourism is a minds-on and hands-on industry. In addition, tourism is a people-serving industry with a hospitality component. This is what distinguishes tourism from other industries.
- As part of efforts to place manpower development at the core of tourism transformation, amongst others, it is important to adopt the following perspectives:
  - i. View human resource development as an investment rather than an expense.
  - ii. Incorporate the concept and practice of sustainability in training and education,
  - iii. Tourism should be seen through the eyes of the host and the tourists.
  - iv. Adopt the concept of working with tourists instead of working for tourists.
  - v. Let the hospitality spirit characterise the tourism industry.

- vi. Address tourists' concerns about safety and security, sanitation, service, sensitivity, satisfaction and sustainability.
- vii. The host, guest, and employee satisfaction should all be tracked and measured to provide feedback and improve tourism products and services.

### **KEY TAKEAWAYS AND WAY FORWARD**

- The key takeaway is to integrate human capital development as the engine to drive tourism transformation to benefit the hosts, guests and stakeholders. This requires the collaboration and strategic partnerships between academia, industry, and government.
- In moving forward, the highlights on the right perspectives on mainstreaming human resource development in undertaking tourism initiatives and transformation are useful and relevant to policy makers, industry players, NGOs, academia and the communities to maximise the potential of tourism.

## CLOSING CEREMONY

### Closing Speech by UNWTO - Harry Hwang

Mr. Harry Hwang, Regional Director for Asia and the Pacific, UNWTO in his closing speech on behalf of UNWTO raised the following key points:

- The restrictions to contagion Covid-19 have been eased, so the tourism industry can begin to thrive as before,
- Even though various crises hit the tourism industry, but we have proven to be resilient, and the industry is well on the road to recovery to achieve pre-pandemic levels of performance.
- The insights gained from the conference will be useful to provide directions for the opportunities and challenges that lie ahead and to chart the way forward towards resilience and sustainability.
- Recorded the appreciation of UNWTO to MOTAC and Sabah State Government as co-organisers and all moderators, speaker, participants and everyone involved in the successful hosting of WTC 2022.



**Closing Speech by MOTAC - Datuk Mohd Zamri Mat Zain**

Datuk Mohd Zamri, Deputy Secretary General (Tourism) in his closing speech on behalf of MOTAC highlighted the following key points:

- The importance of a human-centred approach to rebuilding resilience, particularly in addressing the skilled labour shortages, which have affected the tourism sector's ability to meet surging pent-up demand.
- The practices in corporate governance and sustainability assessment tools such as ESG are important for tourism industry players to consider and put into action.
- Successful governments and destinations are reaching out beyond the sphere of tourism in offering flexible immigration policies, investing in health and education services, and enhancing economic opportunities for women, among other initiatives which contribute towards strengthening social protection.
- The outcomes of the conference will help translate UNWTO's global framework for tourism recovery at the national and organisational levels with the aim of realising tourism's true potential as a provider of jobs and economic pillar to accelerate recovery.
- Expressed appreciation to UNWTO, Sabah State Government, Tourism Malaysia and Sabah Tourism Board, Sabah International Convention Centre, Malaysia Airlines, Sutera Harbour Resort and 10 partner hotels and 69 strategic partners for the invaluable contributions to WTC 2022.