

A low-angle photograph of a woman in profile, wearing a light-colored hat and holding a smartphone up to take a picture of the Petronas Towers in Kuala Lumpur. The towers are illuminated against a clear blue sky. Other skyscrapers are visible in the background.

Digital Tourism: Navigating Changing Tourist Demands & Catalyzing Innovation

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About MDEC

Malaysia Digital Economy Corporation (MDEC), a government agency under the purview of the Ministry of Digital, was established in 1996 to lead Malaysia's digital economy. Beginning with the implementation of the MSC Malaysia initiative, we have since then catalysed digital transformation and growth all over the nation. By offering greater incentives and governance for growth and re-investment, we aspire to bolster Malaysia's status as the digital hub of ASEAN, opening new doors and driving shared prosperity for all Malaysians.

Digital Tourism Definition

“

A digitalised tourism sector that **innovates and generates new business opportunities** to ensure the **continued competitiveness, growth, and sustainable development** of the sector.

”

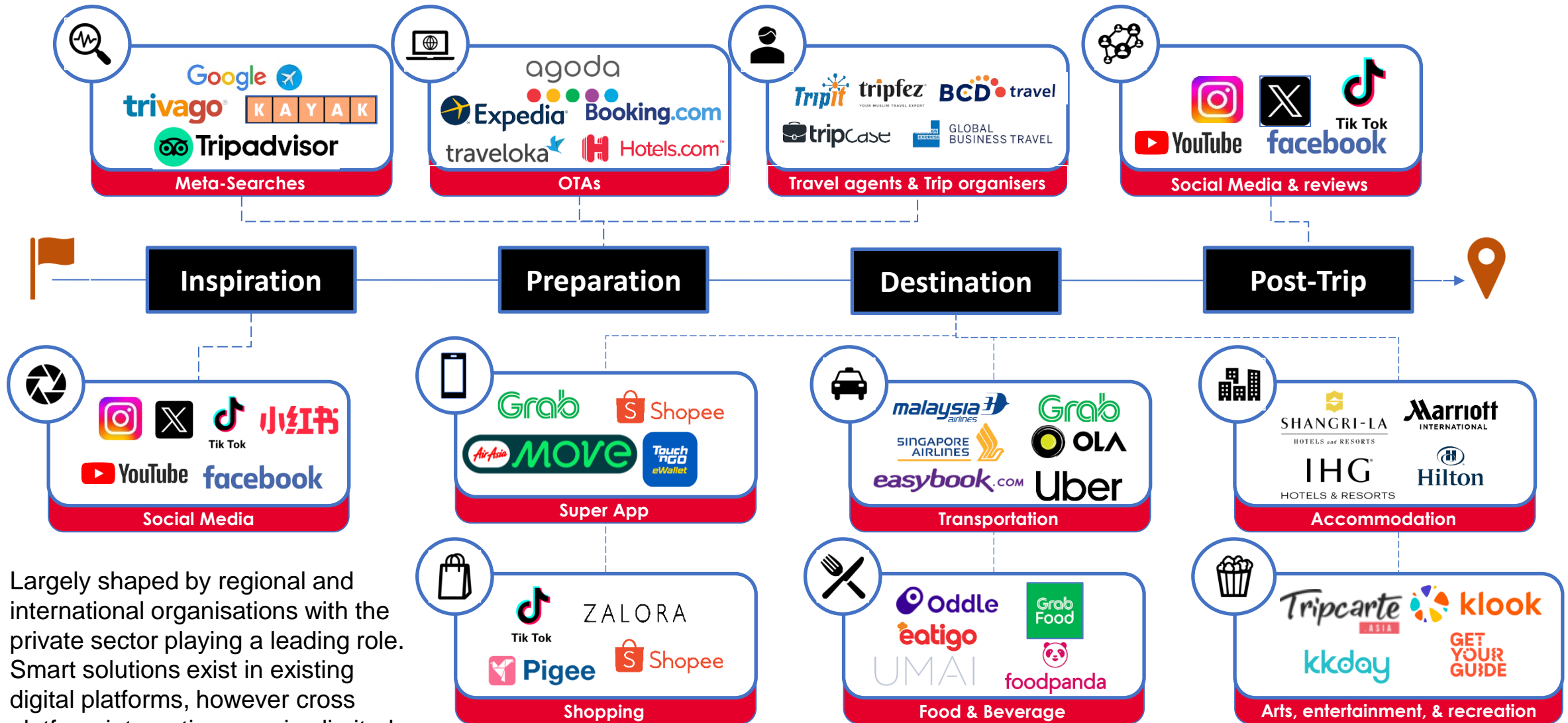
- Digital Economy Tech Trend by MDEC & Frost & Sullivan, 2023



MINISTRY OF DIGITAL

MDEC™

Current Digital Touchpoints of A Traveller



- Largely shaped by regional and international organisations with the private sector playing a leading role.
- Smart solutions exist in existing digital platforms, however cross platform integration remains limited.

The Increasing Demand from Travellers



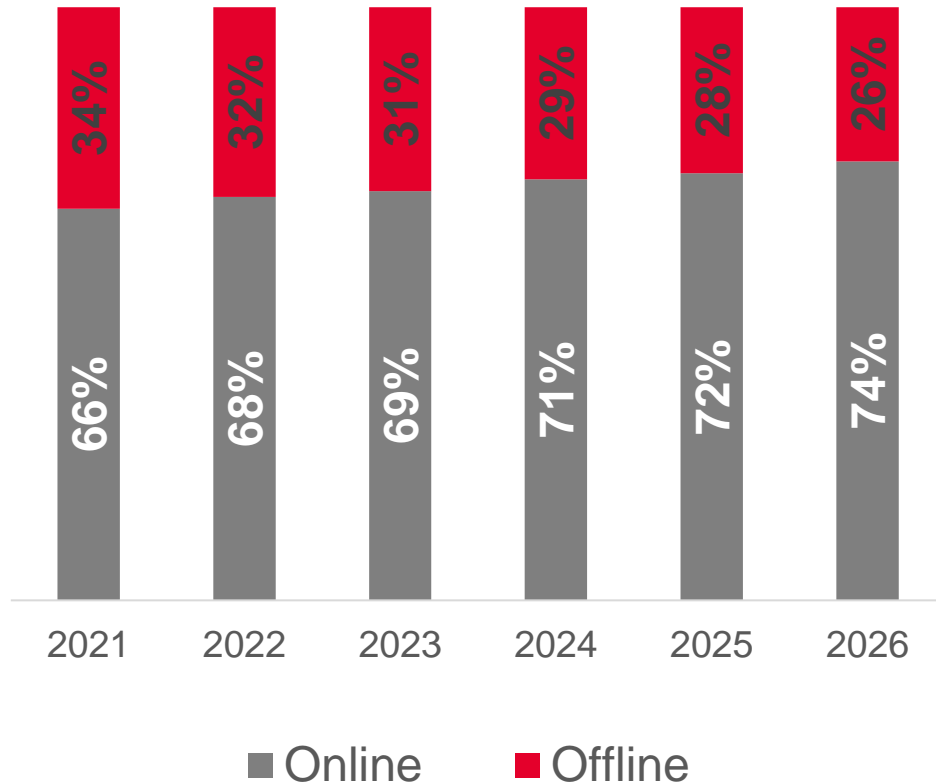
Source:
Klook Travel Pulse survey conducted across 13 markets in Asia (Jan 2024)



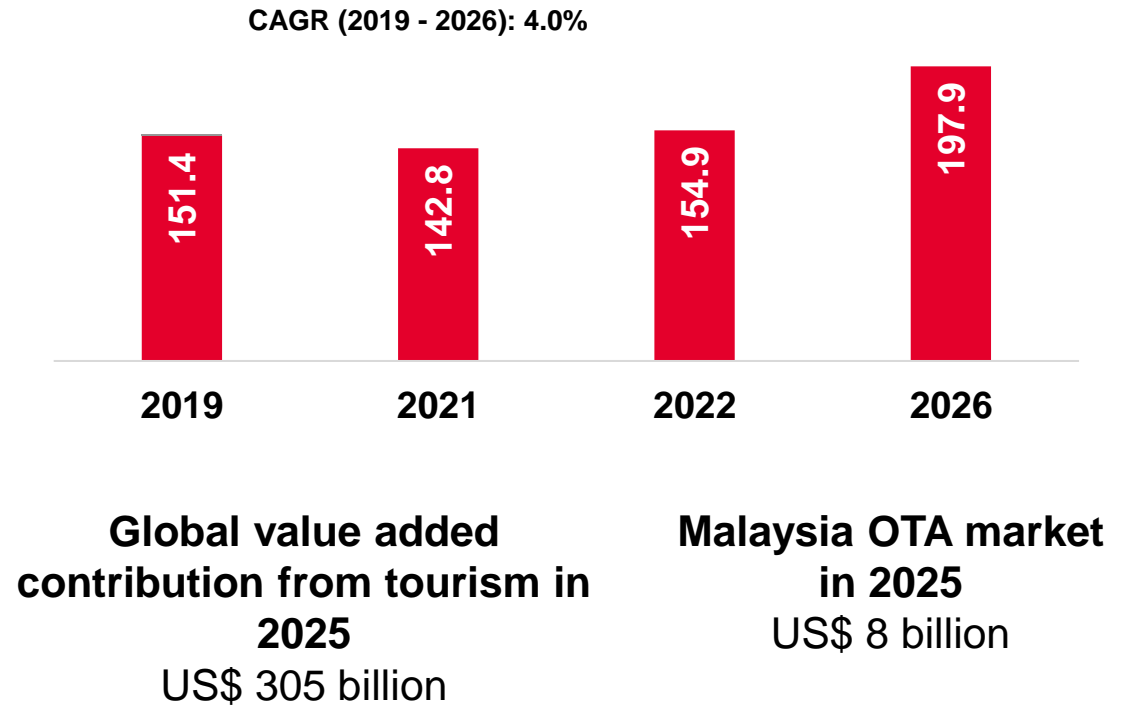
Source:
Digital Economy Tech Trend by MDEC & Frost & Sullivan, 2023

The Global Outlook

Global tourism market revenue sales share (%)



Global Tourism ICT Spending (US\$ billion)



Source: Digital Economy Tech Trend by MDEC & Frost & Sullivan, 2023

DIGITAL TOURISM MATURITY HEATMAP

Overall Digital Maturity

Stage 2

MDEC'S ROLE IN STRATEGIC NATIONAL TOURISM PLATFORMS:

1. A member of the National Tourism Policy 2030 Steering Committee, chaired by MOTAC
2. Co-chairing the Smart Tourism Working Committee with Tourism Malaysia
3. A member of the Steering & Technical Committee of MOTAC's Review of Tourism Industry's Act & Regulations

Solutions

(Local Supply)

Stage 2

- Available solutions in the market (global & local), but mostly in **silos**
- **Low number of digital solutions by Malaysian travel & tourism tech** companies
- **Low number of affordable solutions for adoption** by micro & SMEs in tourism industry

Usage

(Demand)

Stage 3

- Tourists & travelers use digital tools throughout their journey, although their **experiences may not be seamless. Transactions mostly happen on website** as opposed to apps.
- **High cost of initial investment & maintenance** deter industry adoption across subsectors i.e. accommodations, transportation, retail & F&B, entertainment & theme parks and connected services (platforms)

Enabler

(Infra, Talent & Funding)

Stage 2

- Fast & stable internet is only focused at residential & urban areas
- The hospitality industry is still facing resource shortage for its frontline/ housekeeping etc.
- Not much focus is given to grow startups in the travel & tourism space

Policy & Regulation

Stage 2

- The regulations/ policies in the travel & tourism industry are cross-sectoral and involve multiple ministries, e.g.:
 - Regulating online travel agencies (OTA)
 - Short term rental accommodation (STRA)
 - Use of blockchain in travel & tourism

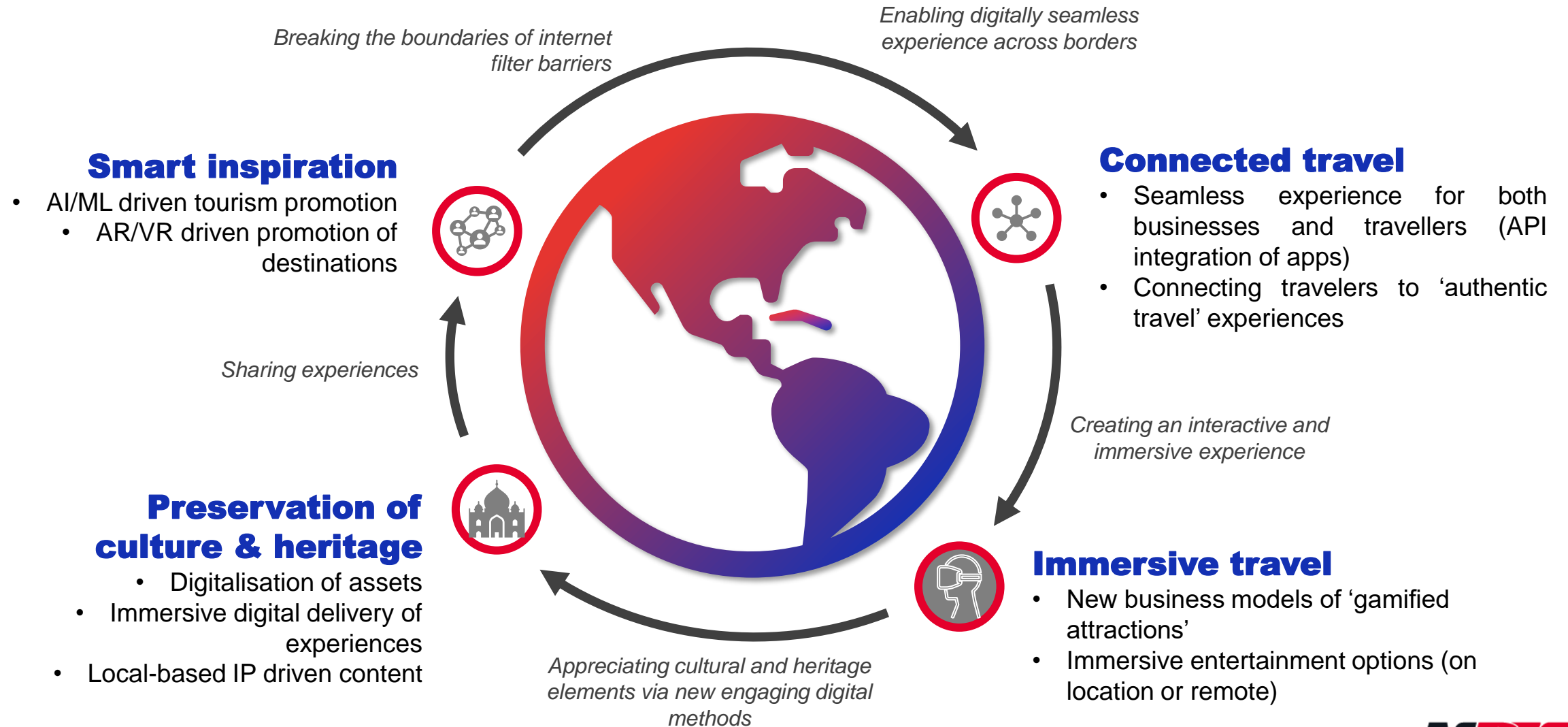
Relatively low digitisation



Relatively high digitisation

TechTrends in Digital Tourism: Identified Hot Spots

By MDEC & Frost & Sullivan, 2023





Smart Inspiration: AR/VR driven promotion of destinations



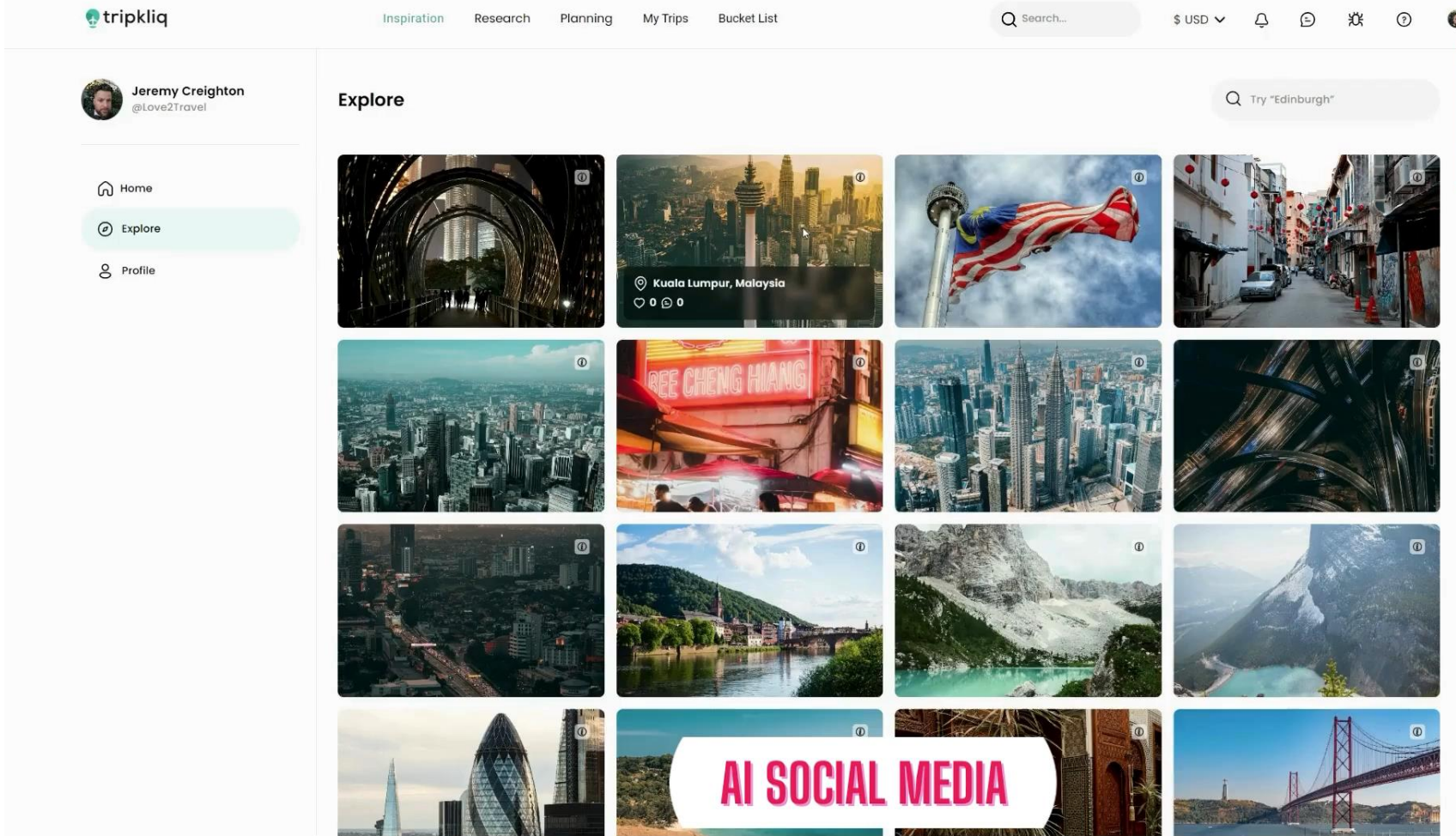
Personalised brand stories through immersive 360° solutions to strengthen online presence, increase web traffic, attract quality leads, or boost sales potential.

- 360° Photography & 360° Videography in 11K high definition
- 3D Modeling, Rendering & Photogrammetry
- 360° Virtual Tour
- Automated Analytics using AI
- Platform Integration





Smart Inspiration: Generative AI



Key features:

- Inspiration focused
- Flexible ways to plan & visualize
- AI-powered features
- Socially connected inspiration with copy & share
- Group planning



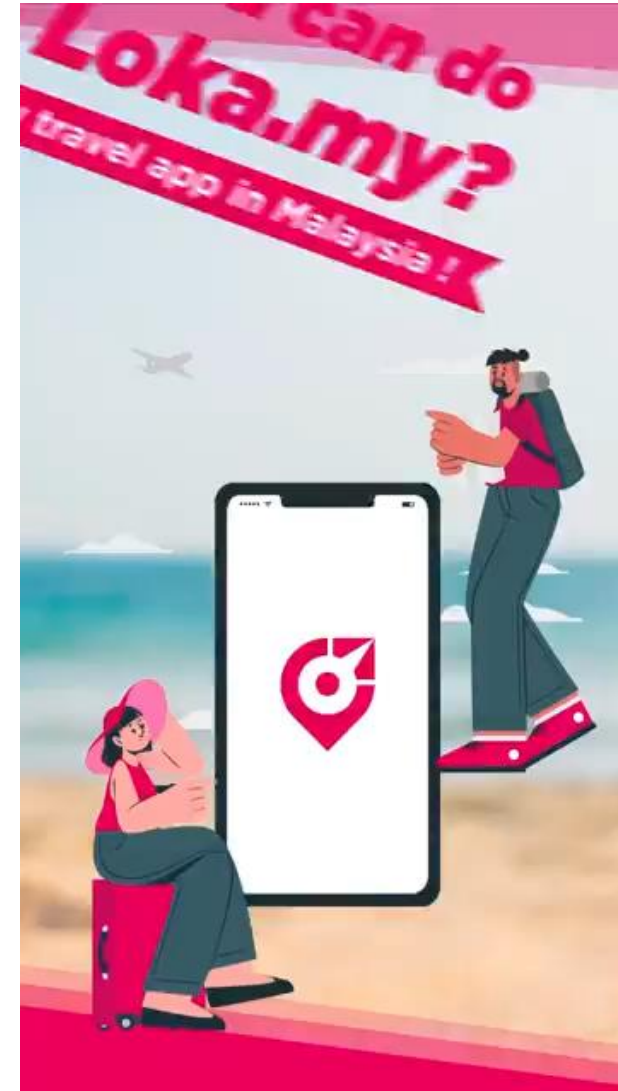
Connected Travel: Seamless Experience for Customers and Businesses



Loka

Discover Malaysia's hyperlocal travel attractions:

- Dive into an adventure with interactive map, designed to customize your journey and **uncover hidden gems and local spots off the beaten path**

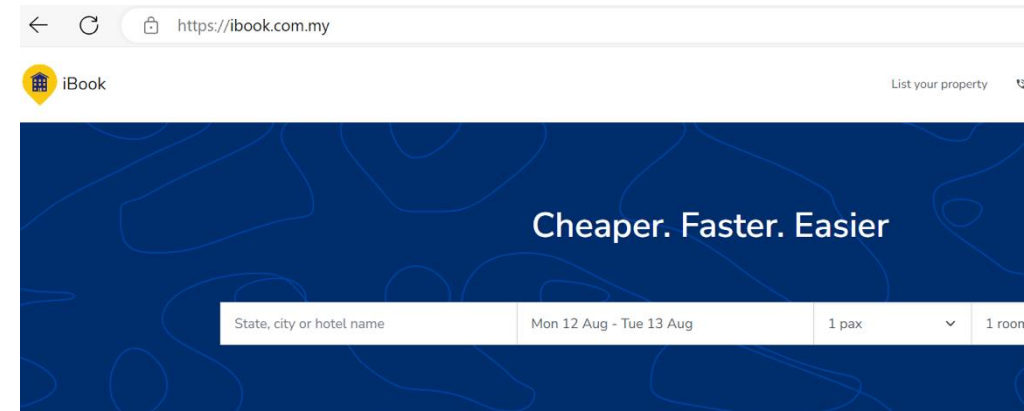
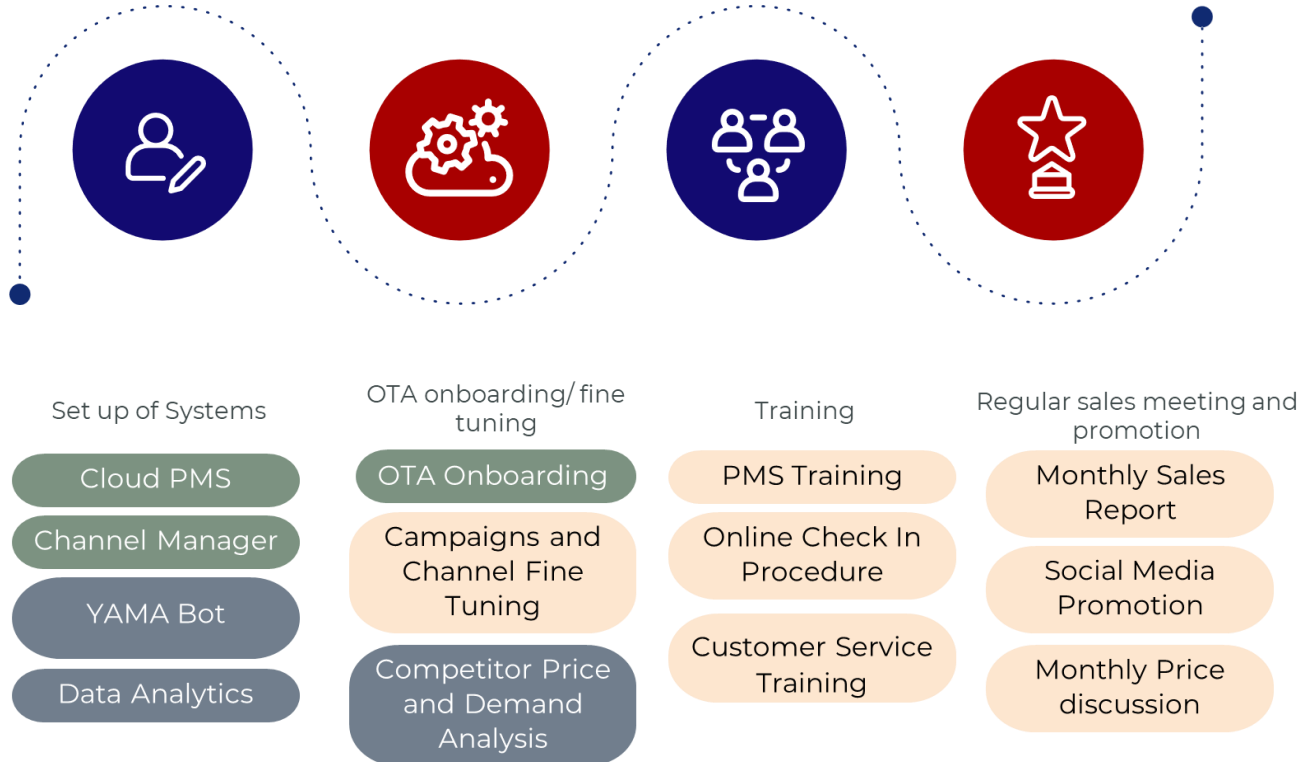




Connected Travel: Seamless Experience for Customers and Businesses



A specialist in 3-star & below hotels, SECOMS is able to address both business & customer facing problem statements with its PMS and iBook, an OTA for budget hotels





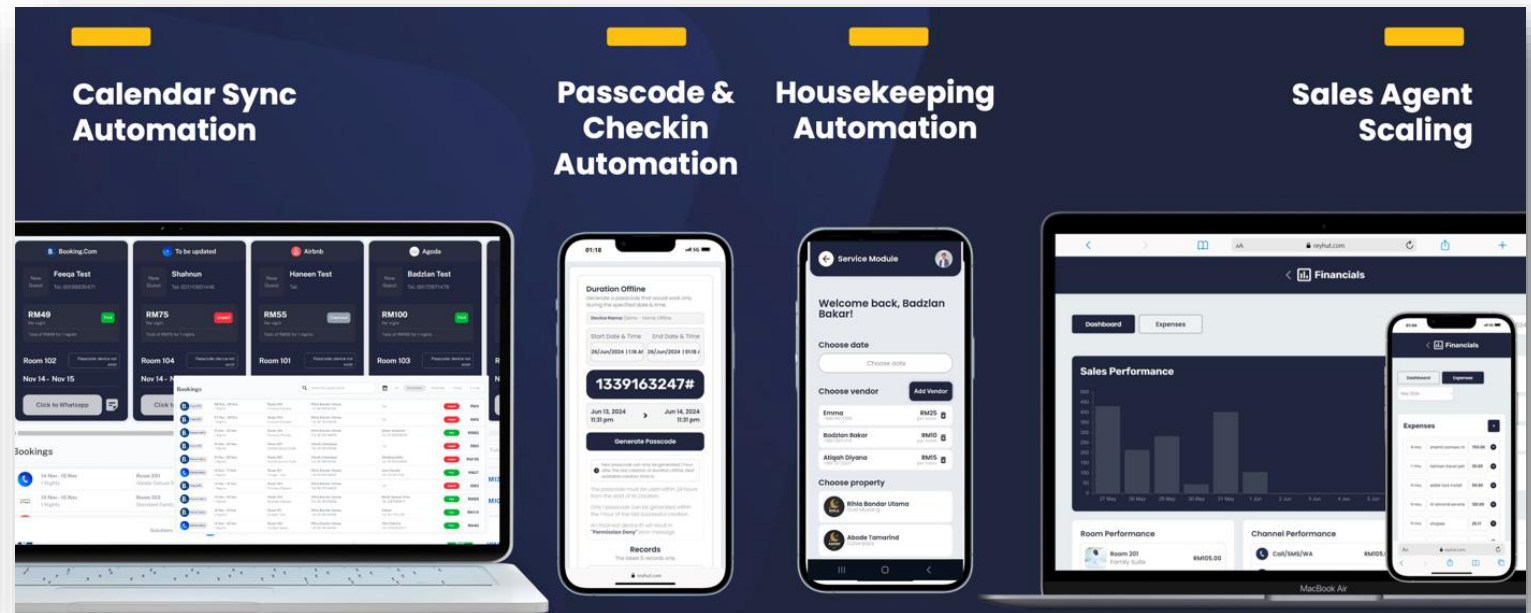
Connected Travel: Seamless Experience for Customers and Businesses



Reyhut Automation delivers a truly modern experience for guests with QR or passcode-driven self-check-in, with seamless connection to the accommodation management system.



Front End: Automating Guest's Journey & Experience



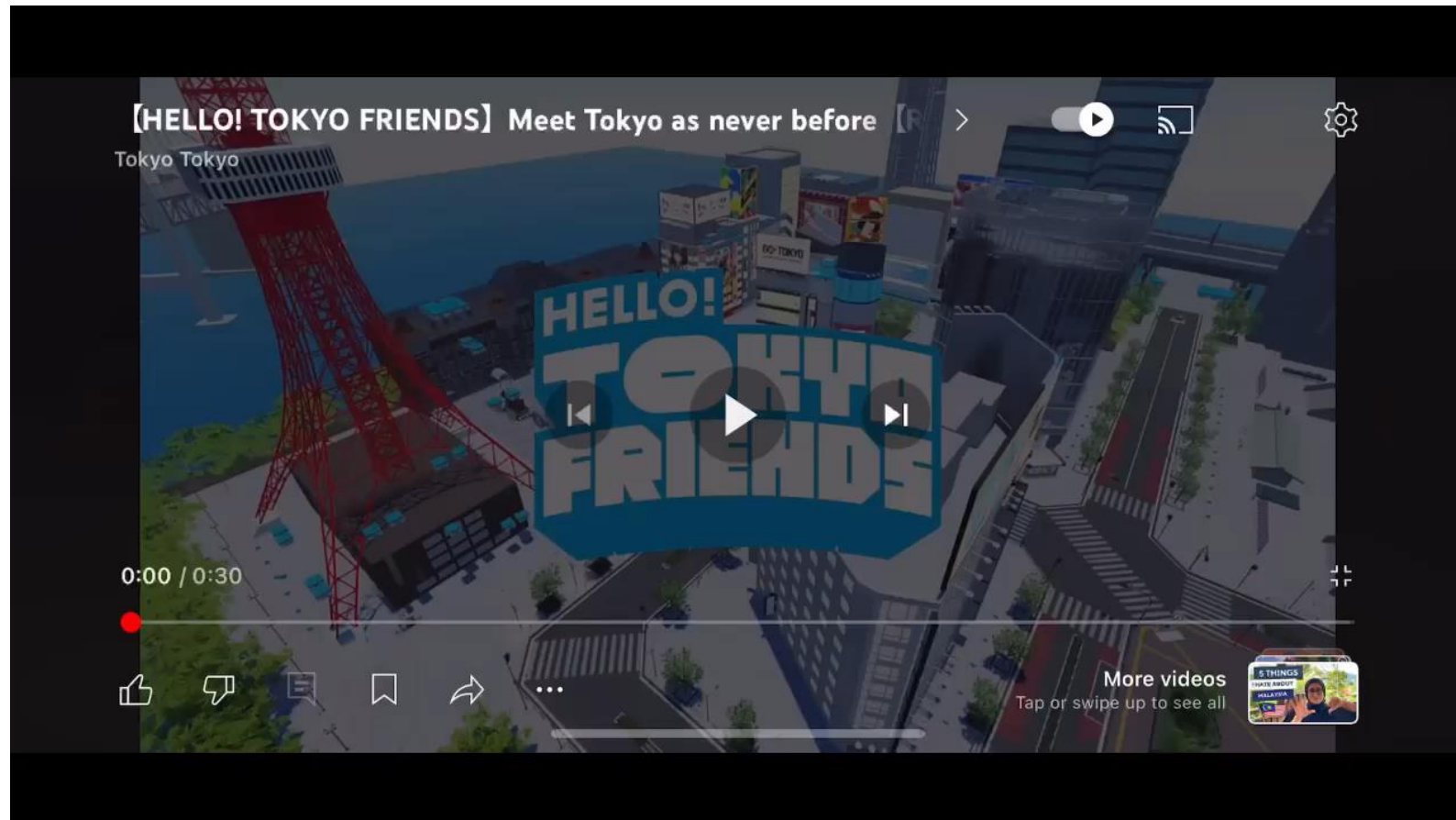
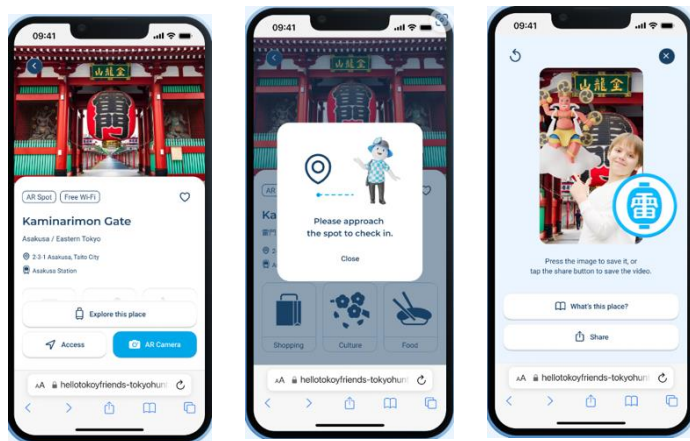
Back End: Digitalizing the Operational Management Experience



Immersive Travel: Combining digital and physical experiences, online & onsite



An initiative by the Tokyo Metropolitan Government, in collaboration with Roblox. The Tokyo metaverse in Roblox is complemented with an AR-enabled mobile app for enhanced experience on-site





Preservation of Culture & Heritage: Asset Digitalisation



Utilizing 360° Virtual Tour technology to digitalize significant archaeological sites, offering an immersive virtual experience for enthusiasts.



Other Tourism Trends Shaping Product Innovation



Digital Nomads/ Work-From-Anywhere/ B-leisure



Hidden Gems/ Off the Beaten Path



Millenials, Gen Z and Alphas

Source: *The state of tourism and hospitality 2024*, McKinsey & Company & various publications

Digital Tourism Innovation Lab (DTIL)

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Introduction

Digital Tourism Innovation Lab (DTIL) is a programme intended as a platform to **support the innovation of tourism tech solutions** by start-ups and tourism related companies, aiming to minimize gaps in local tourism operations, products, services, and destinations to meet the demand from industry players.



Increase the supply of tourism tech solutions to **minimize gaps in local tourism** operations, products, services, and destinations



Match the supply of tourism tech solutions directly to **meet the demand by the Tourism Industry** players



Establish a **tourism tech startup community in Malaysia** for sustainable growth of the industry



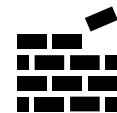
+ **Local & global tech companies**

- **Startups**
- **New products**
- **MDCG/ DCG recipients**

Key Components in Digital Tourism Innovation Lab:



Ideation & Problem Statement Validation



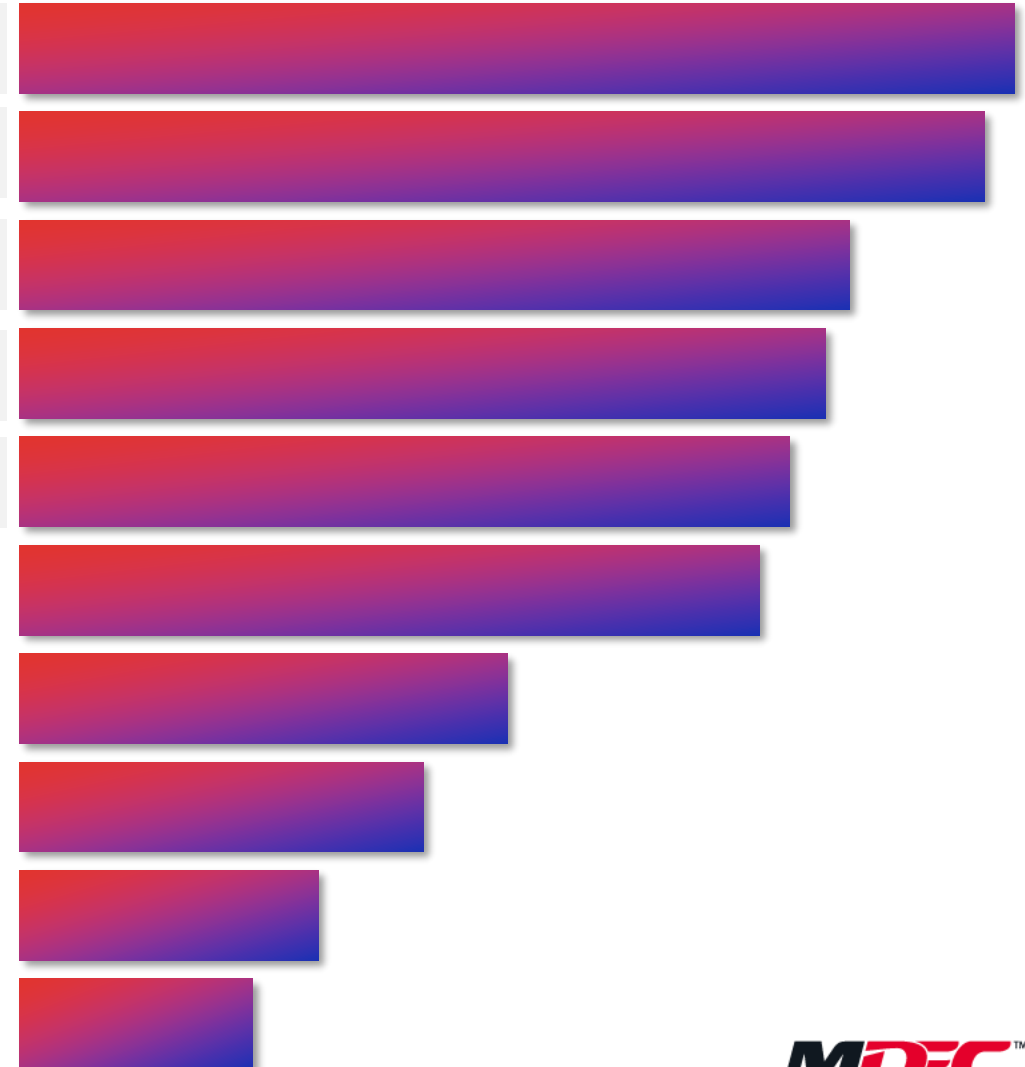
Industry-led Programmes



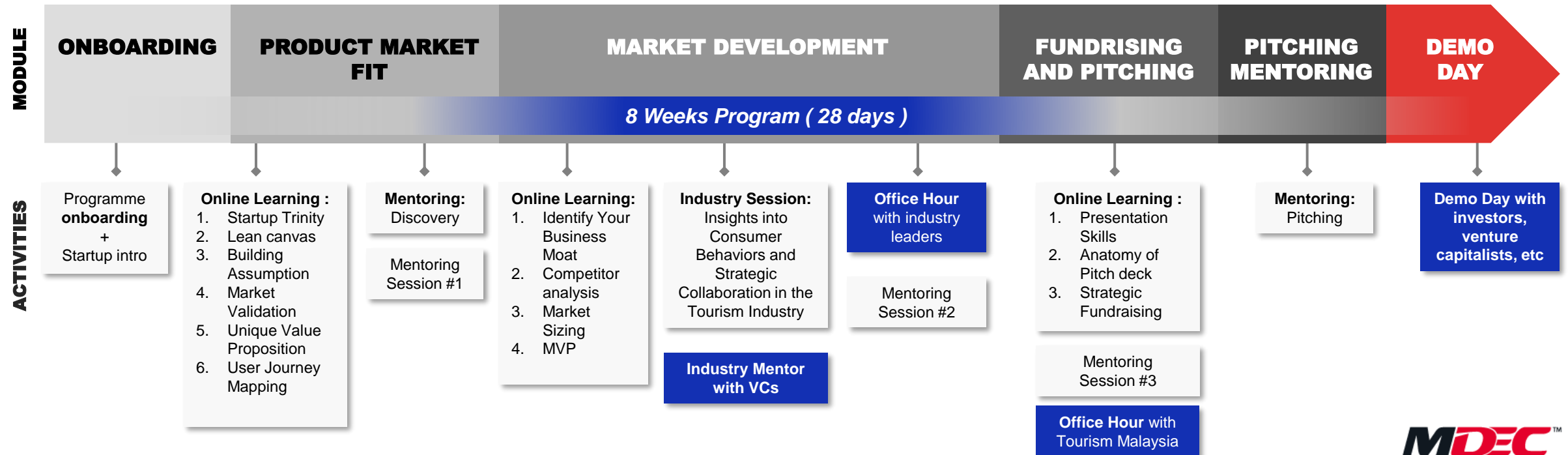
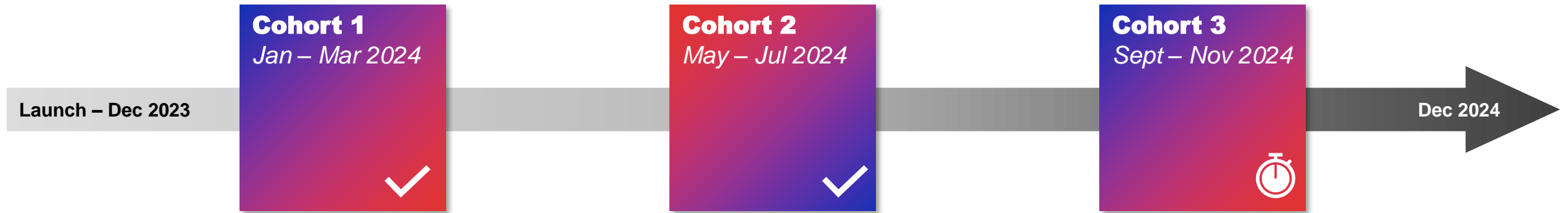
Industry Direct Funneling

Problem Statements & Opportunities Validated by Tourism Sector Players

1. Current manual check-in processes result in inefficiencies and delays, leading to suboptimal staff utilization.
2. The fragmented nature of booking processes among consumers, businesses, and providers leads to inefficiencies and missed opportunities for integration.
3. Current tourist experience is not seamless, online and onsite: fragmented information and bookings, non-integrated platforms and systems, non-digital requirements onsite etc
4. Existing workforce administration practices lack a systematic approach to customer data retention and financial recording, hindering operational efficiency.
5. Limited access to affordable innovative revenue automation and property management systems hampers productivity and profitability in the hospitality sector.
6. Hyper personalisation - understanding consumer preferences and personalising travel offers.
7. Advanced loyalty solutions in driving engagements .
8. Generative AI incorporated into business processes and driving better consumer experience.
9. Socially responsible immersive tourism.
10. Sustainability-driven, such as decarbonisation initiatives and meeting customers and regulatory sustainability expectations



Programme details



Digital Tourism Innovation Lab 2024

117

APPLICATIONS RECEIVED

25

COMPANIES APPROVED

Advisory / Mentorship Support Secured:

- Tourism Malaysia
- Sabah Tourism Board
- Langkawi Development Authority (LADA)
- Malaysia Budget Hotels Association (MyBHA)
- Universal Holidays Travel & Tourism Sdn Bhd
- Malaysian Association of Tour & Travel Agents (MATTA)
- Velocity Ventures
- GHARAGE Ventures
- GOOD FOODIE Media (Foodie)
- KLOOK Travel
- AGODA

COMPANY / PLATFORM

COHORT 1

OceanBuddy
platform designed to transform the ocean-related sports experience, focusing on scuba diving by addressing the challenges associated with booking trips.

DocOnCall
DoctorOnCall aims to attract medical tourists from all over the world to Malaysia

Colorverse
Colorverse is at the forefront of innovation as a web3 technology and marketing company

MyRehat
MyRehat aims to be a marketplace to sell activities, accommodations and travel related products and necessities.

FilmPlace
Filmplace is a dynamic platform that bridges the gap between content creators and brands

Pigee Inc.
Pigee mobile app increases merchant revenues by sending tourist travel shopping home directly from 117 countries

TravelWalla
Travelwalla aims to be Malaysia's first Fully integrated OTA

CariMakan
Malaysia Brand Foodie App, offering specially curated Food Listing and Dictionary

HeloLokal
HeloLokal is a local homegrown Travel Tech, peer to peer Experience Tourism online marketplace

COHORT 2

Triplikliq
Triplikliq is evolving the way people plan to travel. We address the 5 key stages of travel and connect consumers with businesses in a single platform.

MedTrip
Revolutionizing healthcare with a digital platform connecting patients to cross-border medical services with personalised doctor/hospital recommendations and medical cost estimation.

BOSSREC
An adventure tourism mobile app featuring diverse activities like hiking, rafting, and paragliding, with detailed descriptions, ratings, and reviews

LOKA
Loka is at the forefront of transforming travel experiences, blending local insights with advanced location intelligence to enable tailor-made itineraries using tech

SECOMS
SECOMS provides a full range of 12 services to help hotel owners in Malaysia

GoWaus
A Malaysian travel platform which solves 2 Muslim travelling problem statements; restricted itineraries for Muslim travellers and limited autonomy by tour guides

Reyhut
Automate the backend of STR operations and its customer journey with keyless cardless passcode-driven checkin process with unique communication mechanics between STR management software and hardware.

Wanderworks Lab
A Generative AI-powered marketplace for remote workers to find underutilized, work-friendly tables of cafes and coworking offices, enabling a highly distributed flexible work desk solutions.

COHORT 3

Doifoo
Doifoo developed LinkAI, a feature that transforms the travel experience by creating a unified travel profile. Customers can manage all their travel plans—flights, hotels, and activities—through a single profile, eliminating the need for multiple accounts.

BoatMu
Boatmu is set to revolutionize the marine and ecotourism boat booking industry by providing a comprehensive, user-friendly platform that streamlines the entire process for both customers and boat providers.

Actsugi
Actsugi specializes in virtual-tour-as-a-service, data technology & digital transformation solutions.

Jommoutdoor
Jommoutdoor is a web based application to help travellers to find their outdoors guided by local community experts.

EpicTravel
The Epic AI-enabled trip planner is a one-stop solution that curates relevant travel information through encouraging travel content creation, streamlines booking, and personalizes the travel experience.

PilgrimPal
Pilgrim Pal is a personal assistant app designed to solve the problem of missing pilgrims during Umrah and Hajj.

LFG
LFG is a discovery engine that brings you personalized travel recommendations from creators you trust, providing personalized travel suggestions that you would otherwise spend hours researching.

GoOffGrid
GoOffGrid is a digital platform offering tech-free, nature-immersive experiences in Malaysia, tailored for corporate team-building and individual rejuvenation

Thank you

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  Malaysia Digital Economy Corporation