



EUROPEAN TOURISM FORUM 2016

DISCUSSION PAPER

SESSION 3: DIGITAL TRANSFORMATION IN THE EU TOURISM SECTOR

Objectives

Tourism is one of the economic sectors the most affected by the global expansion of digitalisation.

The objective of the panel is to exchange views and good practices on how to make European tourism more competitive through the better and more effective use of digital tools and enhanced digital and e-management skills.

The challenges and opportunities of digital transformation in the tourism sector

New digital opportunities create new business opportunities. The growth prospects offered by the digital economy in Europe are promising also in terms of providing solutions for the soaring rates of unemployment and creating new job opportunities, particularly for young people. The same could potentially be true in the tourism sector.

However, the huge potential of the digital economy is underexploited in Europe. This has been confirmed by the report from the Strategic Policy Forum on Digital Entrepreneurship¹. The report found that 41% of EU companies in general still haven't adopted any of a set of four advanced technologies (mobile, social media, cloud computing and big data). Moreover, less than 2% take full advantage of these digital opportunities². Businesses that fail to get digitally connected will become excluded from the global market. Progress is uneven across sectors and company size: the smaller the company, the lower the use of the latest digital technologies.³

The same report provides evidence of the new business opportunities offered by unprecedented business models that are empowered by digital technologies, providing a better business environment for jobs and growth. It significantly contributes to an increase of the competitiveness of the EU companies.

It is clear that digitalisation presents opportunities as well as challenges to the EU tourism industry. However, currently there is limited amount of independent, sector specific data and information on the use of digital tools by EU tourism enterprises.

¹ http://ec.europa.eu/growth/sectors/digital-economy/entrepreneurship/strategic-policy-forum/index_en.htm

² Considerable variation across the EU Member States

³ According to the findings of the Report of the Strategic Policy Forum on Digital Entrepreneurship. For more information: http://ec.europa.eu/growth/sectors/digital-economy/entrepreneurship/strategic-policy-forum_is

In addition, the Commission study on skills and competences in the tourism sector⁴ found that there is a serious mismatch between the competences offered by education providers and the skills required by the tourism industry. Digital skills were among the main skills identified where significant improvement was necessary in order to keep up with the rapid evolution of trends of innovative marketing and distribution channels as well as consumer demand and behaviour.

Past, current and upcoming Commission initiatives

One of the main policy priorities of the Juncker Commission focuses on bringing down barriers to unlock online opportunities of the Digital Single Market. In 2015, the European Commission adopted the Digital Single Market Strategy⁵, which outlines several concrete actions and initiatives aiming mostly at the smart use of ICT by SMEs, improving e-skills and ICT standardisation.

During the past years, under the CIP⁶ and the COSME⁷ Programmes, the Commission has already implemented several initiatives to further boost digitalisation in the tourism sector.

It set up a dedicated Tourism Business Portal which helps tourism SMEs with useful information, tutorials and tools about setting-up, managing and promoting tourism business. The Commission also published a series of YouTube tutorials with focus on online tourism marketing and e-leadership.

In 2015, the Commission launched the Digital Tourism Network (DTN), an informal network of tourism stakeholders working with the Commission on future policy actions related to digitalisation in tourism. With the help of a voluntary Steering Group and a contractor, in 2016, the Commission conducted a targeted stakeholder consultation on the challenges and opportunities of digitalisation in the sector.

The first outcome of this consultation will be presented as the kick-start of the panel discussion. In addition, the results of the consultation will feed into the update of the content of the Tourism Business Portal and will also be used for producing a new series of digital skills webinars. The results will also be further analysed by the DTN Steering Group.

To improve digital skills, the European Social Fund and Erasmus+ also provide significant support. In June 2016 the Commission adopted the New Skills Agenda. Under the Blueprint initiative of the Skills Agenda, the Commission will develop a tourism sectorial cooperation to improve skills and competences, which will also focus on, among others, the digital skills of tourism professionals.

Finally, in order to help stakeholders to better use the available EU funds and programmes, the European Commission published a dedicated guide to EU funding for tourism. This also includes funding available for innovation and improving digitalisation in the sector. Its latest, updated version will be available in all EU languages by the end of 2016.

Discussion points:

Which points of outcome of the Commission's research do you find the most relevant / pressing, both with a view to skills and the use of digital tools and solutions?

Apart from financial support, what could be done to improve the digitalisation of the sector?

⁴ https://ec.europa.eu/growth/sectors/tourism/support-business/skills_en

⁵ <http://ec.europa.eu/digital-agenda/en/digital-single-market>

⁶ <http://ec.europa.eu/cip/>

⁷ https://ec.europa.eu/growth/smes/cosme_en

What are the already existing good practices that could be replicable?

Who are the relevant actors to mobilise and what is their role?

What is the role of the European Commission and the EU Institutions?