



**HOTELSCHOOL
THE HAGUE**

Hospitality Business School

The potentials of Mobile Payment in the tourism industry

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Digitalisation in tourism industry

- Social Media
- Chatbot
- IoT
- AI
- Robotica
- Mobile Payments



Reference



WESTFIELD LONDON

[HTTPS://UK.WESTFIELD.COM/LONDON](https://uk.westfield.com/london)

Shopping mall harnesses virtual reality and turns hotel suite into point of sale



CITYHUB

[HTTP://CITYHUB.COM/](http://cityhub.com/)

*Low-cost hotel provides guests
with citywide internet access*

Global Digital Snapshot

JAN
2017

GLOBAL DIGITAL SNAPSHOT

KEY STATISTICAL INDICATORS FOR THE WORLD'S INTERNET, MOBILE, AND SOCIAL MEDIA USERS

TOTAL
POPULATION



we
are
social

7.476
BILLION

URBANISATION:
54%

INTERNET
USERS



3.773
BILLION

PENETRATION:
50%

ACTIVE SOCIAL
MEDIA USERS



we
are
social

2.789
BILLION

PENETRATION:
37%

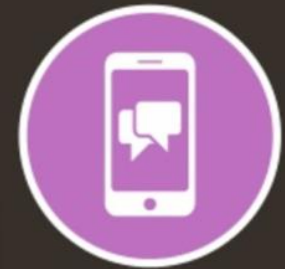
UNIQUE
MOBILE USERS



4.917
BILLION

PENETRATION:
66%

ACTIVE MOBILE
SOCIAL USERS



2.549
BILLION

PENETRATION:
34%

5

SOURCES: POPULATION: UNITED NATIONS; U.S. CENSUS BUREAU; INTERNET: INTERNET WORLDSTATS; ITU; INTERNETLIVESTATS; CIA WORLD FACTBOOK; FACEBOOK; NATIONAL REGULATORY AUTHORITIES; SOCIAL MEDIA AND MOBILE SOCIAL MEDIA: FACEBOOK; TENCENT; VKONTAKTE; LIVEINTERNET.RU; KAKAO; NAVER; NIKE; AG-HAEL; CAFEBAZAAR.IR; SIMILARWEB; DING; EXTRAPOLATION OF TNS DATA; MOBILE: GSMA INTELLIGENCE; EXTRAPOLATION OF EMARKETER AND ERICSSON DATA.

 **Hootsuite™** we
are
social



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Reference

User devices

JAN
2017

SHARE OF WEB TRAFFIC BY DEVICE

BASED ON EACH DEVICE'S SHARE OF ALL WEB PAGES SERVED TO WEB BROWSERS

LAPTOPS &
DESKTOPS



45%

YEAR-ON-YEAR CHANGE:

-20%

MOBILE
PHONES



50%

YEAR-ON-YEAR CHANGE:

+30%

TABLET
DEVICES



5%

YEAR-ON-YEAR CHANGE:

-5%

OTHER
DEVICES



0.12%

YEAR-ON-YEAR CHANGE:

+33%



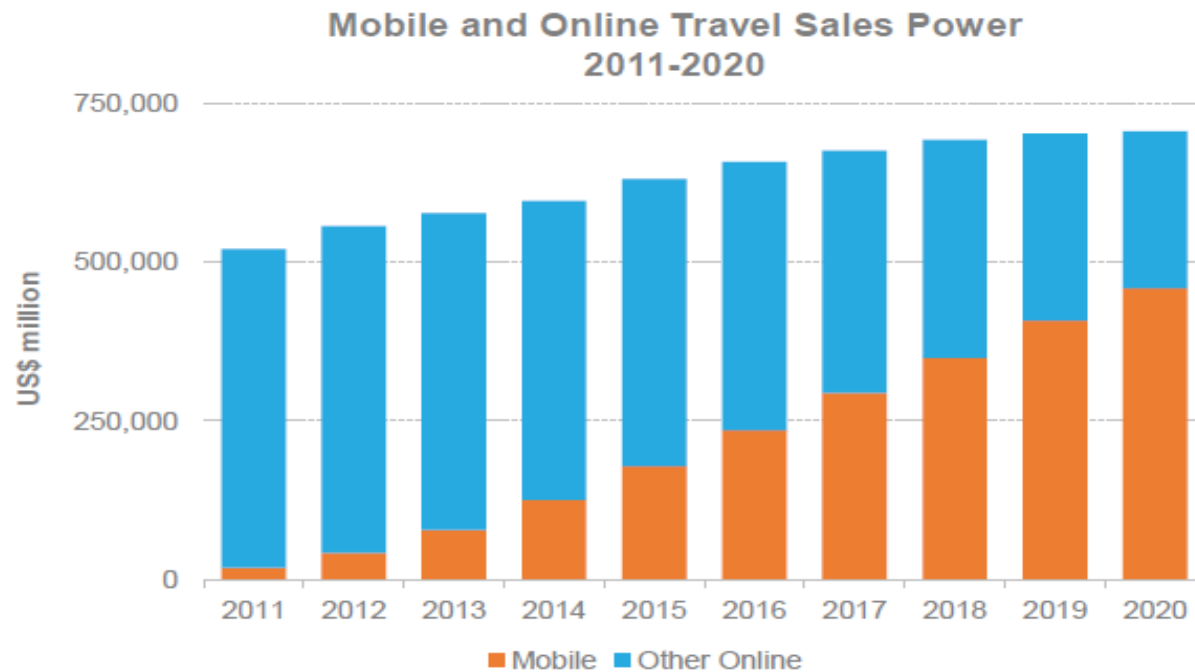
Mobile channels

- 18% of all online sales → US\$67 billion worth of mobile purchases in 2015 (World Travel Market, 2016)
- Mobile wallets used by consumers for: loyalty cards, coupons, boarding passes and event tickets, mobile payments → the future of Mobile Payments (Urban Airship, 2016)



Trend: Mobile Travel Sales Power

Global Overview Mobile Growing Rapidly



Source: Euromonitor International



Three types of Mobile Payments

- OS platform based
- Proximity
- P2P



OS Platform based

- Depending on the OS of smartphone
- OS platform = 1st tier market place
- In-app purchase = 2nd tier market place

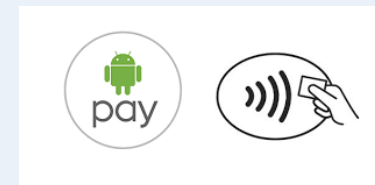
- Examples:

- Apple Pay
- Android Pay
- Samsung Pay



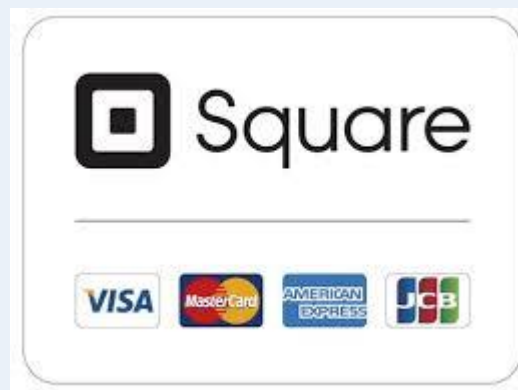
Proximity

- Mobile Wallet + NFC
- Contactless payment at the POS
- Examples:
 - Google Wallet
 - Apple Pay
 - Android Pay



P2P

- (mobile banking) app
- Peer-to-peer transfer through the app
- Examples (next to mobile banking apps):
 - Venmo
 - Square



Opportunities for tourism industry

- Payments → customer transaction data → drive consumption (through relevant offers)
- Customer expansion through mobile marketing (coupons & offers)
- Loyal customers through loyalty programmes using mobile wallet
- New business ventures through collaboration with mobile wallet enabled providers

