

# Destination Middle East 2.0: innovative tourism

**GCC governments have made tourism a top development priority. Governments, destinations, and tourism providers are making considerable efforts and investing significant resources to reach ambitious targets. For example, Saudi Arabia is aiming for more than 100 million foreign and domestic tourists per year by 2030. Bahrain seeks to become a top family destination for regional and international visitors. Two key enablers of these efforts will be tourism products that offer a digitally enhanced experience and tourism that is unconventional and innovative.**

The most appealing tourism products relate to experience. Globally people are doing more than booking hotels and flights — they are consuming experiences. These can take the form of culinary tours, such as Devour Barcelona, or be culture-related, such as taking in the skyscrapers of central Chicago. There are opportunities for similar experiences in the GCC, such as appreciating the region's rich history, or enjoying its impressive natural environment in the pursuit of wellness and relaxation.

Increasingly digital technology is enlivening experiences. People get a taste of the experience before they travel, for example through virtual reality, then afterwards they relive the experience by sharing pictures and videos. There are thousands of digitally enhanced experience products available for travelers in mature markets, indicating a similar opportunity for GCC countries. Already, some leading operators and investors are investing in expanding their experience offerings, as shown by the German travel operator TUI Group's **acquisition of Musement**, and KKR's investment in **experience provider GetYourGuide**.

A further development in the sector is innovative tourism that allows destinations to tell compelling stories and build excitement among travelers. These include tours to film and TV series locations, such as "Game of Thrones" in Croatia.

GCC countries can seize these opportunities with digitally enhanced experience tourism and innovative offerings. Although GCC countries already possess experience tourism, such as city tours and desert safaris, these have not attracted large amounts of visitors. To increase visitor numbers, GCC countries can use innovative offerings to act as the headliners of broader campaigns that will draw travelers to the region.

Tourism authorities and providers need to take action through a mixture of capabilities and enablers. Tourism authorities have two tasks: First, they need to understand how digitally enhanced experience

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**Marwan Bejjani**  
partner  
marwan.bejjani  
@strategyand.ae.pwc.com

**Alessandro Borgogna**  
partner  
alessandro.borgogna  
@strategyand.ae.pwc.com

**Vivek Madan**  
principal  
vivek.madan  
@strategyand.ae.pwc.com

**Maha Raad**  
principal  
maha.raad  
@strategyand.ae.pwc.com

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This article originally appeared in *Gulf Business*, March 2022.

tourism and innovative offerings will reshape the industry so that they can introduce the correct regulations and incentive schemes. Overseeing digital is challenging as the technology develops fast and crosses multiple sectors, which means that authorities must develop capabilities and provide advice to **protect consumers from tech scams**. Second, tourism authorities should encourage tourism-sector stakeholders to work together. Cooperation is vital so that tourists consume a clear and coherent tourism product. Already Saudi Arabia has formed commissions in such areas as **fashion** and **food** to ensure coordination in providing these experiences and innovative offerings.

Destinations, operators, and airlines, the providers that will sell the experiences and innovative products, must also act in a number of areas.

These providers need to identify the main digitally enhanced experiences and innovative products to focus on. GCC countries have ample potential, but they need to start by developing high-standard offerings. These will be part of a compelling package that differentiates GCC countries globally, such as tours tracing the history of local food, and cultural or archaeological explorations.

Providers also need to define the necessary digital enablers and develop their digital capabilities accordingly. Providers should use digital to build promotion and awareness into a compelling customer journey that makes people want to book GCC holidays, come to the GCC, tell others, and then return for more. The digital enablers of experience tourism are not static. Advances in digital technology, a recent example of which is the **virtual tour of Helsinki**, mean that providers need to work constantly to keep up with the competition.

Finally, providers need to build the human capital to support these new tourism products. Human capital means having people that work in tourism who speak the languages of visitors, are sensitive to these visitors' needs and culture, and who know and understand what they are showing to travelers. Such human capital is a specialized capability. The development of human capital will require cooperation among the government, universities, vocational training institutes, and tourism providers. The UN has published a **policy paper** to support skills development in tourism. In Italy, various agencies offer grant programs to support the development of tourism-relevant skills, including digital capabilities and languages.

Innovative products can bring visitors to the GCC countries, create new jobs, and stimulate digital creativity. Although the number of people consuming innovative offerings is small, their spend per head is high, and the excitement innovative tourism creates draws others to a country. By working together, GCC tourism authorities and providers can turn these tourism dreams into reality.