travelution in southeast asia

VYNN CAPITAL
50 YEARS OF TRAVELUTION

1980s
Content Digitalization
Rudimentary online booking solutions emerge

1990s
Demand for Content
OTAs partner with hotels & airlines

2000s
Content Differentiation
Different verticals develop within the travel tech sector

2010s
Personalization
The Age of UX
New startups target personalization
DIVING DEEPER: TRENDS IN THE TRAVEL INDUSTRY

1980s - The emergence of online booking for airlines and hotels via EAASY Sabre saw the first integration of traditional media and the Internet.

1990s - Online travel agents sprang up (TravelWeb, Expedia, Travelocity, & Priceline) and built inventories through partnerships with airlines & hotels.

2000s - Verticals developed – reviews (Tripadvisor), fare aggregators (Kayak), unique accommodation marketplaces (Airbnb), online travel solutions (Travelport) – were formed to support travel-related business. The first batch of travel Internet companies China began to take off.

2010s - Sub-domains emerged: pre-trip, midway, and post-trip. Pre-trip involves information discovery. Midway entails traveler support and personalization. Post-trip involves sharing of itineraries/experiences. Additionally, larger companies like Traveloka offering financial services and other non-travel services.

2020s onwards?
Past trends: 2010s

The major trend of this decade is personalization. Sub-domains in the travel tech sector emerged: pre-trip, midway, and post-trip. Pre-trip involves information discovery served by the companies such as Expedia, Ctrip, TripAdvisor, and Airbnb. Midway entails the support to travelers such as Triip that offer personalized travel experiences for travelers who are exploring new destinations. Post-trip involves the sharing of experiences and comparison of itineraries.

Emerging trends: 2020 onwards

The trend of personalization in the travel tech sector expanded to the point where travel tech companies sell entire experiences across the value chain. Travel tech companies invest to increase offerings such as food services, transportation, health and wellness, and activities operators. Furthermore, as travel tech companies expand into vacation and short-term rentals, there has been a proliferation of property-related services. Boundaries between industries are quickly breaking down and ecosystem is flattening.
## TRAVEL TECH’S EXPANSION INTO PROPERTY, FOOD, TRANSPORTATION AMONG OTHER SECTORS

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
<th>Funding Details</th>
<th>Acquired Date</th>
<th>Revenue Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meiwei Buyongdeng</td>
<td>Online restaurant reservations ~$56M Series D in 2018</td>
<td>~$56M Series D in 2018</td>
<td></td>
<td></td>
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<tr>
<td>Trip.com</td>
<td>AI booking for flights, hotels, &amp; restaurants</td>
<td>Acquired in 2017; est. rev. $4.6M</td>
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<tr>
<td>Tujia</td>
<td>Vacation rental booking platform $300M Series E in 2017</td>
<td>$300M Series E in 2017 Est rev. $980M</td>
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</tr>
<tr>
<td>Suanya</td>
<td>Train ticket booking</td>
<td>Acquired for $16M in 2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Couverts</td>
<td>Online restaurant reservations</td>
<td>Acquired in 2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housetrip</td>
<td>Marketplace for rental mgmt. Acquired in 2016</td>
<td>Acquired in 2016; est. rev. $6M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dimmi</td>
<td>Online restaurant reservations Acquired in 2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MyTable</td>
<td>Online restaurant reservations Acquired in 2015</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apartment Jet</td>
<td>Property mgmt. software</td>
<td>Acquired in 2018; est. rev. $1.5M</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pillow</td>
<td>Property mgmt. services Acquired in 2018; est. rev. $2M</td>
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<tr>
<td>SilverRail</td>
<td>Railway solutions</td>
<td>Acquired in 2017; est. rev. $14M</td>
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<tr>
<td>Wingz</td>
<td>Pre-booked car travel $11M Series B in 2016 Total funding of $13.7M</td>
<td>$11M Series B in 2016 Total funding of $13.7M</td>
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</table>
**RESEARCH ON THE EVOLUTION OF TRAVEL TECH**

The convergence of eCommerce with the travel & tourism industry has helped various players […] The subsector [of e-commerce] received the maximum investment [of funding for travel & tourism] in 2017 and 2018 […] The increasing popularity for online travel services will most likely bring in new aspects of travelling and especially in the processes involved in getting these services. A lot of new travel and tourism e-commerce startups are on the rise catering to various broad as well as niche needs.

“Convergence of the Travel & Tourism and E-commerce Sectors,” HexGn, 4/25/19

Until recently, the conversation around short-term rentals has centered around travel & hospitality […] Now, there is another side to this developing. The corporate real estate industry is more vested in the topic […] Consolidation and technological integration will continue to sweep across the built environment. This convergence will become the lead story driving the future short-term rental, hospitality, and housing more broadly. Technology is at the center of this convergence. The pace of innovation is intense [in proptech and travel tech.] Generally, speaking proptech is more focused on the building management side, while travel tech is more focused on customer acquisition. Further consolidation will take place, as these two sides of the same coin move closer together.

“From TravelTech to PropTech,” LUFT, 10/24/2019
The percentage of travel & tourism startups that were categorized as travel agencies or involved with online bookings plummeted from 2013 to 2019, while the share of travel & tourism startups involved with the food, transportation, & property industries has grown significantly. Non-traditional sub-sectors of travel tech such as food services, transportation, and property are growing rapidly.
The travel technology industry now includes companies across the entire value chain and supply chain, including products and services involved with:

- Travel booking & management
- Accommodations, restaurants, tours, transportation, & activities operators
- Travel insurance, property management, eCommerce, & medical tourism
- Inventory management, operations, distribution, fulfillment, & processing
- Virtual reality, augmented reality, & artificial intelligence
WHERE IS THE GLOBAL TRAVEL INDUSTRY TODAY?

The global travel industry has grown to over $1.6 trillion, over 10% of world GDP.

Tourism employs 2 in 10 people in the global economy.

Source: World Travel & Tourism Council, Deloitte, UNWTO
While deal count dropped in 2019, average deal size in 2019 is $25.2 million thus far, up from $15.1 million in 2018, representing a 67% increase.

FUNDING FOR TRAVEL STARTUPS AT RECORD HIGHS

While deal count dropped in 2019, average deal size in 2019 is $25.2 million thus far, up from $15.1 million in 2018, representing a 67% increase.
2019 saw an all-time high of 159 acquisitions and funding activity remains strong in 2019. Notable acquisitions include Snapshot (for $35M by Shiji), Yatra (for $337M by Ebix), Packdat (bought by Passpod), & CatchOn (bought by Finn Partners).

VCs were most involved in funding travel startups. Because there is typically more than one investor in a funding round, the total is well above 100%.
ASIAN TRAVEL RAISED THE MOST CAPITAL IN 2018

ASIA 54%
NORTH AMERICA 27%
EUROPE 17%
U.S. FDI IN S.E.A. UP 88% SINCE 2010

Total U.S. FDI In Southeast Asia By Historical Cost ($B)

Source: U.S. Bureau of Economic Analysis
“The true U.S. foreign direct investment is likely much higher in other Southeast Asian countries like Indonesia and Malaysia, than the data suggests. If a US multinational invests in a Singaporean affiliate, and that affiliate goes on to invest in fifteen other affiliates countries in Southeast Asia, the data only captures the investment in Singapore.”

Jessica Hanson
Chief of Direct Transactions at U.S. Bureau of Economic Analysis

Source: U.S. Bureau of Economic Analysis
Top sector in internet economy

Online travel is the largest sector of SEA’s internet economy, adding roughly $30 billion in bookings and growing 15% YoY*

Continued growth from 2015-18

In 2018, 41% of all travel bookings made online in SEA, up from 34% in 2015*

*e-Conomy SEA 2018,* Google, Temasek
Indonesia ($8.5B) and Thailand ($6.1B) had the largest markets in 2018. Traveloka entered Thailand & Vietnam, signifying growth of travel tech in Southeast Asia.
Southeast Asia is becoming a more frequent destination for North Asians and Americans.

There has been a 27.5% increase for flights from China to SEA, and a 94% increase in flights from US to SEA.
According to PATA, the volume of visitor receipts in Southeast Asia has grown 33% since 2015, and is likely to keep growing.
In 2019, these travel & tourism startups raised ~$1 billion

- **Traveloka**: raised $420M from GIC
- **RedDoorz**: raised $115M from Asia Partners Fund Management
- **Travelio**: raised $18M from Temasek Pavilion, Samsung Ventures & Gobi Partners

Source: Crunchbase
2019 FUNDING FOR TRAVEL TECH STARTUPS IN SEA

34% was seed capital, 20.8% was Series A, 13.2% was Series B

Indonesian startups took 70% of funding, Singaporean companies tapped 28%
## TRAVEL TECH LANDSCAPE

<table>
<thead>
<tr>
<th>Inspiration &amp; Sharing</th>
<th>Deals</th>
<th>Activities &amp; Tours</th>
<th>B2B Distribution, Revenue, &amp; Booking</th>
<th>Mobility &amp; Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travalian</td>
<td>fave</td>
<td>lokalocal</td>
<td>ZUU Hospitality, BEDLINKER.COM</td>
<td>Vogo, redBus</td>
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<tr>
<td>flocations</td>
<td>little</td>
<td>Travelog</td>
<td>secretEATS</td>
<td>gojek</td>
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<tr>
<td>Tripit</td>
<td></td>
<td>RADIUS</td>
<td>travelpayouts</td>
<td>CAR, Didi</td>
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<tr>
<td>马蜂窝</td>
<td></td>
<td>TOURPLUS</td>
<td>lastticket</td>
<td>drivezy</td>
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<tr>
<td>#HHWT</td>
<td></td>
<td>SecretEats</td>
<td>vntrip.com</td>
<td>Grab</td>
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<tr>
<td>GETOUR GUIDE</td>
<td></td>
<td>RADIUS</td>
<td>LAST TICKET</td>
<td></td>
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<tr>
<td>发现旅行</td>
<td></td>
<td>RADIUS</td>
<td></td>
<td></td>
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<tr>
<td>travelstop</td>
<td></td>
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<tr>
<td>OTAs &amp; Metasearch</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Traveloka, Ctrip, flymya.com</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oway, tripfez, agoda, wego</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Subhome, Home Suite Home</td>
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</tr>
</tbody>
</table>

## Inspiration & Sharing
- Travalian
- flocations
- Tripit
- 马蜂窝
- #HHWT
- GETOUR GUIDE
- 发现旅行
- travelstop

## Deals
- fave
- Travelog
- RADIUS
- TOURPLUS

## Activities & Tours
- lokalocal
- SecretEats
- RADIUS
- TOURPLUS

## B2B Distribution, Revenue, & Booking
- ZUU Hospitality
- BEDLINKER.COM
- travelpayouts
- vntrip.com
- lastticket

## Mobility & Transportation
- Vogo
- redBus
- gojek
- CAR
- Didi
- drivezy
- Grab
At certain times throughout a trip, there is a need for customers to research content. We expect that in the future more and more airline websites or mobile applications will allow customers to research local events, food reviews, localized deals, and other things. This is one way to increase customer engagement.

- Alvin Chin
  Head of Strategy at GoQuo

Hospitality firms in Asia are generally more receptive to technology than Europe for example. In countries like, Vietnam, Thailand, Malaysia, & Singapore – you have new hotels that are popping up and they are more open to adopting technology, because they want to be on the forefront regarding technology from the very beginning.

- Deniz Tekerek
  Co-Founder of Portier Technologies

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**GoQuo**
- **Location**: Kuala Lumpur
- **Founded**: 2002
- **Total Funding**: $5.6M (USD equivalent)
- **Description**: Full-service eCommerce solution to leading airlines and OTAs in creating a personalized digital shopping experience.

**Portier**
- **Location**: Hong Kong
- **Founded**: 2016
- **Total Funding**: Undisclosed Seed
- **Description**: Portier offers a mobile guest engagement tool for luxury hotels that enables them to improve revenue, guest satisfaction, and reduce opex.
As the travel technology industry develops further, the expansion of accommodations providers is likely to necessitate cross-border eCommerce solutions. 

“Currently, there are no fully integrated cross-border eCommerce solutions. We plan to roll out this capacity within two years. With that said, customs clearance is a major obstacle due to a lack of transparency.”

- Lennise Ng
CEO & Co-Founder of Dropee

“Travelio is very strong on monthly rentals. We want to increase the interaction in our app. Our customers are not necessarily interested in personalized travel experiences, but they are interested in their daily living needs. We plan to offer services to obtain water, laundry services, meal delivery, and toiletries.”

- Christina Suriadjaja
Chief Strategy Officer & Co-Founder of Travelio
TRAVEL STARTUP SPOTLIGHT

SeaMiles

Location: Singapore
Founded: 2018
Funding: $100,000 (SGD)
Description: Loyalty program tailored to incentivize seafarers and shore personnel working in the $6 trillion maritime industry

“SeaMiles allow the customer not only to interact with maritime vendors, but they can shop online, book hotels, get discounts at restaurants, and other activities. While we are a sea travel-based loyalty rewards company, we plan to be connected to the food, e-commerce, and hospitality industries.”
- Saurish Nandi
Co-founder of SeaMiles

Idem Hospitality

Location: Singapore
Founded: 2018
Funding: $325,000 (SGD)
Description: Solutions provider for hotels regarding the administrations, planning, and contracting of events and group business

“27% of guests booked through our platform are choosing to extend their stay. It’s a burgeoning trend called “bleisure” — combining leisure with their business trips. If you’re going to a city for a meeting and the hotel provides a good experience, the guest want to extend their stay. 56% said they are more likely to consider a bleisure trip in a destination with great food and restaurants.”
- Matt Howden
Co-Founder of Idem Hospitality
People are travelling more and more, and when they travel, local connectivity is very important. In fact, 45% of travelers actually look for a local SIM card when they arrive at a destination. Airalo is an eSIM store which allows a traveler to buy eSIMs, so they don’t have to physically go to a store.”

- Ahmet Bahadir
Co-founder of Airalo

“There’s a lot of travel between countries in Southeast Asia. Eventually, we will be able to track consumers purchase behavior when they travel. We will be able to track the behavioral change while consumers are travelling which can give us a good sense of brand loyalty.”

- Benz Budiman
CEO & Co-founder of Pomona

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Founded</th>
<th>Funding</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airalo</td>
<td>Singapore</td>
<td>2019</td>
<td>$1.9M (USD)</td>
<td>eCommerce store for travelers to access eSIMs at a local and affordable rate</td>
</tr>
<tr>
<td>Pomona</td>
<td>Jakarta</td>
<td>2016</td>
<td>$3M (USD)</td>
<td>Customer loyalty solution to drive customers to offline retail and increase transactions</td>
</tr>
</tbody>
</table>
### KKDay

<table>
<thead>
<tr>
<th>Location</th>
<th>Taipei</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founded</td>
<td>2014</td>
</tr>
<tr>
<td>Funding</td>
<td>$22M (USD)</td>
</tr>
<tr>
<td>Description</td>
<td>eCommerce travel platform that connects travelers with local experiences around the world</td>
</tr>
</tbody>
</table>

"As we see rising demand for online tours and activities booking, our platform aims to provide one-stop offerings including own-developed tours, local experiences, restaurant bookings, attraction tickets, and transportation products."

- Steven Yang
  Strategic Analyst at KKDay

### Tribe Theory

<table>
<thead>
<tr>
<th>Location</th>
<th>Singapore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founded</td>
<td>2018</td>
</tr>
<tr>
<td>Funding</td>
<td>$1M (SGD)</td>
</tr>
<tr>
<td>Description</td>
<td>Venture hotel for startups and entrepreneurs with eight locations across Asia and Europe</td>
</tr>
</tbody>
</table>

"From my vantage point as country manager of Singapore at Tribe Theory, Singapore’s local startup community has definitely gotten more vibrant over the past three years."

- Monikca
  Country Manager for Tribe Theory
<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
<th>Description</th>
<th>Funding (USD)</th>
<th>Founded</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoJek</td>
<td>Jakarta</td>
<td>App that provides payments, delivery, transportation, and logistics services</td>
<td>3,300,000,000</td>
<td>2010</td>
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<tr>
<td>Grab</td>
<td>Singapore</td>
<td>App that provides transportation, logistics, and financial services</td>
<td>9,100,000,000</td>
<td>2012</td>
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<tr>
<td>Traveloka</td>
<td>Jakarta</td>
<td>Online travel aggregator</td>
<td>920,000,000</td>
<td>2012</td>
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<tr>
<td>Luxstay</td>
<td>Vietnam</td>
<td>Online short-term rentals platform and hospitality service</td>
<td>10,500,000</td>
<td>2016</td>
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<td>LokaLocal</td>
<td>Malaysia</td>
<td>Travel experiences booking platform</td>
<td>42,000</td>
<td>2016</td>
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<tr>
<td>ZUZU Hospitality</td>
<td>Singapore</td>
<td>Provider of hotel operating system for independent hotels</td>
<td>6,700,000</td>
<td>2016</td>
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<tr>
<td>Innaway</td>
<td>Singapore</td>
<td>Travel experience booking platform</td>
<td>110,000</td>
<td>2016</td>
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<tr>
<td>Freedrop</td>
<td>Hong Kong</td>
<td>Handy luggage storage service</td>
<td>3,640,000</td>
<td>2017</td>
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<tr>
<td>Bobobox Indonesia</td>
<td>Bandung, Indonesia</td>
<td>Capsule hotel startup</td>
<td>1,500,000</td>
<td>2017</td>
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<tr>
<td>Stay One Degree</td>
<td>Hong Kong</td>
<td>Social network for luxury holiday home rentals</td>
<td>1,500,000</td>
<td>2017</td>
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<tr>
<td>UZ Hotel Berhad</td>
<td>Malaysia</td>
<td>Hospitality company that focuses on boutique and capsule hotels</td>
<td>571,623</td>
<td>2017</td>
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<tr>
<td>LapakTrip</td>
<td>Bali</td>
<td>A marketplace that connecting users with local travel planners directly</td>
<td>25,000</td>
<td>2017</td>
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<td>Travelstop</td>
<td>Singapore</td>
<td>Platform to manage business trips and automate expense reporting</td>
<td>4,200,000</td>
<td>2018</td>
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<td>Tribe Theory</td>
<td>Singapore</td>
<td>Venture hotel for startups and entrepreneurs.</td>
<td>737,789</td>
<td>2018</td>
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<td>ACCOM BERHAD</td>
<td>Malaysia</td>
<td>Hotel bookings platform startup</td>
<td>144,016</td>
<td>2018</td>
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<td>DDIY</td>
<td>Singapore</td>
<td>Online home concierge that provides and manages a full suite of in-home services</td>
<td>143,941</td>
<td>2018</td>
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<td>Trambellir.com</td>
<td>Malaysia</td>
<td>Online booking platform website for medical tourism</td>
<td>110,000</td>
<td>2018</td>
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<tr>
<td>Radius App</td>
<td>Bali</td>
<td>Travel and lifestyle experiences platform</td>
<td>100,000</td>
<td>2018</td>
</tr>
<tr>
<td>Airalo</td>
<td>Singapore</td>
<td>an eSIM store for travelers</td>
<td>1,850,000</td>
<td>2019</td>
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</table>
Q&A WITH DR. MARIO HARDY, CEO OF P.A.T.A.

The travel industry has an enormous positive effect on economic growth, as it stimulates growth in peripheral industries such as the food and transportation industries among others. The growth and development of travel tech in Asia is likely come Asian travel tech companies.

How has the travel & tourism industry impacted economic growth in Asia?
Enormously. Almost every country in Asia has had double digit growth for tourism arrivals. Tourism represents about 10% of GDP globally. The hospitality sector which includes travel tech startups in hospitality has the most impact on economic growth because it affects farmers who produce food, restaurants, taxi drivers, activities providers, etc.

What governments have invested resources into facilitating growth in the travel & tourism?
What comes to mind is the government of Indonesia relaxed their policy in 2015 to allow 170 countries to enter Indonesia. This hasn’t really been done before and has been successful in increasing tourism in Indonesia. Additionally, the country has poured funding into infrastructure and creating new tourist destinations.

Do you foresee the larger travel tech companies in Europe and the US playing a larger role in the Asian markets?
No. I foresee innovation originating internally. European and American companies are having a hard time developing products fully suitable for the Asian populations & markets. Perhaps companies from Europe & the US could play a role in the English-speaking Asian countries, but it’s not likely for the rest of Asia.
How has the traditional travel tech industry evolved?
Over the last decade the business models have been changing vertically and horizontally. In this context, the travel and tourism tech industry converge with other industries, creating new solutions, for a new travel and tourism value chain that includes: transportation, mobility, accommodation, restoration, and especially experiences. Additionally, there are several startups that are developing solutions focused on customer experiences using AR, VR, and 360 technologies to generate engagement. The numbers of solutions are growing. From the 400 tech companies across all industries worldwide consider unicorns, 44 of such billion companies belong to the travel and mobility sector. This funding record is a strong signal that the speed and level of innovation amongst startups are further accelerating as technology is becoming central to the travel and tourism sector, especially in business to consumer (B2C).

What areas of travel tech do you think new ventures can most positive affect economic development?
There are several areas of the Travel and Tourism value chain that new venture could have a positive impact in, from hard infrastructure (Tangibles) creating new business models that tackle big issues such as: infrastructure, mobility, over tourism, climate change, unemployment, and so on; to areas of soft infrastructure (intangibles) that enhance or disrupt existing business models. There is high potential for aggregation in travel tech especially in B2C/B2B startups. According to the Innovation, Investments and Digital Transformation unit, 70% of the more than 3000 startups that participated in the UNWTO startup competitions, presented B2C solutions.

Which regions are spending the most on travel & tourism in Asia?
The Asia and the Pacific region was the fastest-growing region in 2018. The international tourist arrivals 2018 reached 348 million, and the international tourism receipts generated $435 billion. In this context, in Southeast Asia, most destinations posted strong growth, particularly Vietnam. Outbound from China and India fueled growth in many destinations in the subregion. Thailand, the subregion’s largest destination, added almost 3 million more arrivals and $6 billion more in receipts. Growth in Northeast Asia, the largest subregion in Asia, was solid overall. Japan, which has become the third largest destination in Asia, surpassed the 30 million mark in arrivals and generated $7 billion more in revenue. Japan will host the Rugby World Cup 2019 and the Summer Olympics 2020.
For a decade, international arrivals have been rising. According to the UNWTO, the growth of arrivals in the Asia and Pacific regions reached almost 40% since 2010. Tourism is a global force for economic growth and development generating US$ 1.7 trillion; this represents about 4% of the world’s GDP. From a traditional perspective, the Tourism Foreign Direct Investment (FDI) in the Asia-Pacific reached a total of 532 FDI projects between 2014-2018. This resulted in US$ 56.6 billion worth of capital investment and almost 125,000 jobs created according to the Financial Times. However, in 2018 almost half of all tourism jobs created in that region were concentrated in China, Japan, Thailand, and South Korea. From a non-traditional perspective, venture capital funding has been growing since 2014 and investing around US$240 billion in Travel & Mobility Tech startups only in 2018, these figures demonstrate that investments on the tourism sector and technology are transforming lives.

Investments in tourism both traditional and non-traditional help drive the creation of hundreds of jobs. At the same time, we are seeing a marked rise in FDI in technology and innovation, which are transforming the sector with innovations of new ventures that have a positive impact in the industry, but also by creating new business models that could tackle big issues such as: climate change, mobility, over tourism, unemployment, infrastructure, and so on. Backed by forward-thinking investors, the tourism sector is at the forefront of progress.

It is for this reason the global tourism sector promises more than just returns for investors, but it also provides opportunities for sustainable investments that can help to achieve the Sustainable Development Goals (SDGs). UNWTO, as the UN’s specialized agency responsible for the promotion of sustainable and accessible tourism welcomes this report developed by Vynn Capital. We hope the information in this report helps to demonstrate the link between non-traditional investments in the tourism sector and economic growth and job creation, illustrating the role of technology and innovation on the sector, but also in building a better world for all.

Source: UNWTO, Financial Times
THE FUTURE OF TRAVEL TECH IN SOUTHEAST ASIA

PROPERTY
FOOD
ECOMMERCE

INSURANCE
FINTECH

INTERACTIVE A.I.
VIRTUAL REALITY

- Products & services in the food, transportation, and eCommerce industries targeting travelers, services for properties used for increased human mobility.
- Wider offering of travel insurance products, flexible payment solutions for travelers as well as businesses in cross-border transactions.
- Virtual travel agents and chatbots, A.I.-assisted vacation planning, recruiting for hospitality industry, smart property mgmt. systems, virtual reality tours for rental.
More than 20 travel tech companies from outside will expand into Southeast Asia in 2020

There will be series of consolidation of smaller travel tech startups due to acquisition by larger travel companies

There will be at least 30 travel tech startups that will get funded

More funds will be invested into travel/travel related sectors, especially growth funds
1. Investment in the travel tech sector is skyrocketing

2. Travel tech sector is expanding beyond travel booking and management, both along the supply chain and value chain

3. Large travel tech players are investing in food, property, and transportation startups

4. New startups in Southeast Asia in travel tech are embracing this trend, blurring lines between sectors

KEY TAKEAWAYS
Crunchbase (crunchbase.com)
U.N. World Trade Organization (unwto.org)
CB Insights (cbinsights.com)
Pacific Asia Travel Association (pata.org)
Think with Google (thinkwithgoogle.com)
U.S. Bureau of Economic Analysis (bea.gov)
Temasek (temasek.com.sg)
LUFT (luft.net)
HexGn (hexgn.com)
THANKS

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