Can tech boost tourism in Colombian cities?  
An Article by Fernando Monge | Senior Associate  
Bloomberg Harvard City Leadership Initiative

Colombia is a special place. People here have an incredible drive. During my time at the World Bank I worked a lot with the national and municipal governments here, visiting all major cities as well as small towns north and south, east and west. I even got to climb an amazing mountain, the Ritacuba Blanco, in the Cocuy National Natural Park.

Everywhere across the country I found public officials and entrepreneurs (whether social or business-oriented) committed to making a difference in their country. I returned to Colombia last week, where important changes had happened since last time I visited – the end of the conflict with the FARC among them, – but something remained constant: Colombians’ forward-looking energy.

I was in Cartagena to talk about how technology is shaping the tourism industry, and what are some of the things that cities can do to take opportunity of this economic engine while making sure its impacts are thought about and managed. The event “Tourism Tech Adventure” was organized by the UN’s World Tourism Organization (UNWTO), the Colombian Government and IE University. The President of the Republic, Ivan Duque, inaugurated the event, leaving no doubt about the government’s pledge to make tourism a strategic pillar of its economic strategy. “Tourism is the new oil,” he boldly said when he outlined his vision for a country often absent from top destinations’ lists due to its past instability.

The country’s challenges are far from over, but the improvement in almost every front in the last years has created a big opportunity for tourism, which only amounted to about 2.1% of GDP in 2017. In 2017 the country received 4 million visitors. That same year, Barcelona received 14 million tourists. A huge potential, as shown by Colombia’s rapid increase of tourists’ inflows, the fastest growing in the region. Thanks to the favorable exchange rate, improved safety conditions and an uptick in global tourist movements, this untapped resource has the potential to become a strategic growth lever for the country.

But Tourism, like Colombia, is changing quickly too. According to a study by Google Spain, up to 70 percent of reservations were made online in 2017. Travel related companies such as Booking Holdings or Airbnb are among the biggest and fastest growing digital companies in the world. Tourism Tech Adventure featured some of the key players at the forefront of these developments, as well as emerging local startups who pitched their innovative solutions in tourism services to investors during the event.

As a relatively newcomer to the industry, Colombia could leverage the latest technological advancements to leapfrog to the top of rankings such as the World Economic Forum’s Travel and Tourism Competitiveness Report, where the country featured 62 out of 136 in 2017. No doubt, this will require investments in infrastructure, better regulations,
improved access to finance, labor policies and increased public spending by the national government. However, cities can also do their part to improve tourism readiness, and technology can be a fantastic tool for that.

During my talk, I shared a few ideas on how cities can use technology for tourism. For example, I talked about cities that are using social networks to engage directly with potential visitors. Cities can also launch Apps that can serve as marketplaces for potential tourists and service providers, reaching out to digital savvy visitors before their visit as well as enhancing their experience while at the city. The most ambitious cities can also provide virtual and augmented reality experiences, for example, by providing guided tours through smartphones with historical city characters acting as tour guides. These uses of technology do not need large investments and have an additional benefit: the data generated through the Apps and platforms can be analyzed to better understand the interests of visitors, manage crowds and deploy resources. Of course, this also raises questions about privacy and data sharing schemes that city governments should consider from the get-go.

This leads to a last, but not least, point. Massive tourist flows into, particularly European, cities have led to nefarious impacts such as intensive overuse of public assets, environmental degradation, pressure on housing, etc. In the case of tech-enhanced tourism, issues related to the loss of certain job positions (and appearance of others) or the ownership of data and privacy also come into play. With still low numbers of tourists, these are not Colombian cities’ most urgent priority, currently more focused on increasing and energizing the industry. Yet, looking at the negative externalities that have occurred in other cities at this early stage is really important. Particularly since technology can also be used to analyze and mitigate those externalities through the use of data, or through novel tech-enabled socially responsible platforms, such as Fairbnb.

That is the real opportunity for Colombia, to leapfrog in tech-savvy tourism, but with a model that also makes the country a frontrunner in a tourism that is sustainable and equitable. Knowing Colombians’ combined entrepreneurial spirit and commitment to the improvement of their country, I cannot think of a better place for such a tourism tech adventure.