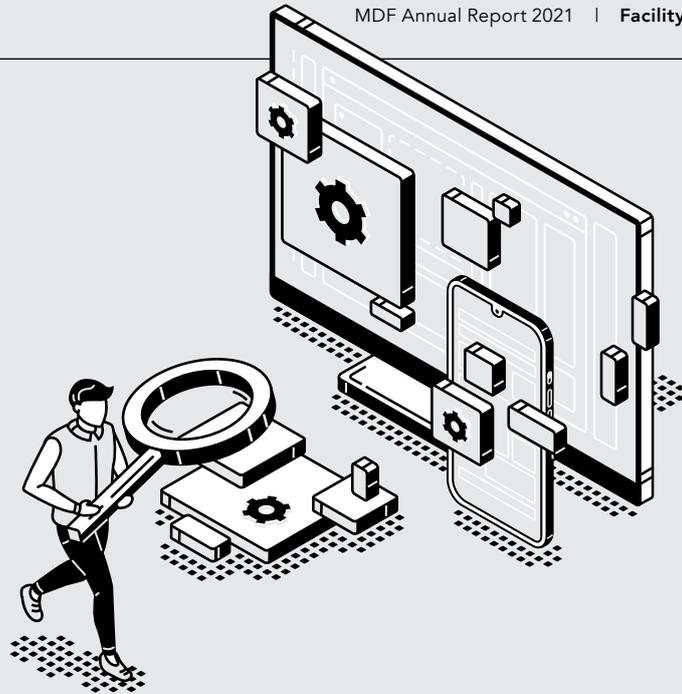


De-risking Big Data for decision- making



The potential for big data to drive industry transformation is not a new topic, and MDF is increasingly seeing the power of data in effective decision-making in sectors ranging from agriculture to tourism. With the plummeting cost of technology, data-driven business models have matured to a point where they are becoming increasingly feasible at any scale. There are opportunities for data to improve decision-making and drive value chain efficiency. For example, this evidence provides consumer sentiments insights which help inform tourism destination marketing strategies.

But adoption at scale is hampered by the large upfront investments in time and capital that are required to embed data into decision-making processes. Working with these knowledge sets is also becoming increasingly complex as its sheer volume increases. Access to this information alone is not sufficient; businesses need to know how to use it effectively. Many of MDF's partners see the benefits of big data, but the adoption risks are significant.

MDF sharpened its focus on the role of data in industry growth during 2021. The facility invested in building the capacity of in-country teams to recognise the opportunities in big data, and how to embed it in both new and existing interventions. The work to date suggests that the best way to stimulate adoption at-scale is to work with larger companies that source from many small suppliers, such as a network of smallholder farmers. These larger actors typically have the resources and, more importantly, the incentive to invest in productive, engaging, data-driven business solutions. MDF's role is to help these stakeholders overcome the risk-return trade-offs. The area in which the facility has made the biggest gains has been in driving targeted behavioural changes.

In 2021, MDF worked with partner governments, industry bodies and firms to access and interpret large data sets to inform policy and investment decisions. The facility negotiated strategic agreements with stakeholders in the Fijian and Sri Lankan tourism sectors, helping them to access world's best consumer sentiment data ahead of planned reopening. This let tourism stakeholders target their marketing efforts to the most promising markets and design product offerings that cater to rapidly evolving preferences.

Early results included supporting the Government of Fiji to pivot its marketing strategy toward a 'travel-ready' North American market, informed by a data-driven consumer sentiment study. This research also supported Fiji Airways to amend its travel offerings to capture an important slice of the tourism demand that suddenly emerged after New South Wales announced an end to pandemic-related border closures. The intelligence proved accurate, with Australians and North Americans accounting for 92 per cent of arrivals in December 2021. The potential for data-driven business strategies will continue to grow as it becomes cheaper to collect and analyse information. This will generate opportunities not only in tourism, but throughout all sectors of the economy. Forward-looking development programs can support markets by de-risking investments in Big Data and building the capability of governments and the private sector to put it to best use.

