Business Focus Story

Paving the way for Sri Lanka's foray into low-carbon tourism



<u>Authenticities Sri Lanka</u> is an inbound travel brand focusing on providing tourists with authentic experiences. Currently, it is Sri Lanka's fifth-largest destination management company in terms of market share.

In 2023, MDF and Authenticities signed a partnership to promote sustainable tourism by introducing Sri Lanka's first low-carbon tours for a growing segment of eco-conscious travellers. In conversation with Shanitha Fernando, President/ Founder of Authenticities, and Dilshad Sadiq, Vice President, MDF explored the company's efforts to weather Sri Lanka's economic crisis and respond to the emerging market for responsible tourism.

? Tell us about Authenticities and the journey to overcome the economic crisis?

SF: Our journey in the tourism industry began ten years ago, prompted by the void we saw in the sector, which pushed us into launching an organisation that serves the right kind of clientele with authentic experiences. We had two core principles: firstly, to ensure that the competition was irrelevant by creating a product with tailor-made, culturally relevant, experiential and emotionally engaging itineraries; and secondly, to offer unique programs for clients.

To overcome the economic crisis and pandemic, our next phase is to ensure our organisation has a work-friendly environment with employee retention and creating new sustainable experiences. We aim to make sustainable practices the core element of our future endeavours. Our authentic experiences should be commercially viable, and venues should be channelled through the communities we work with, sustaining livelihoods while protecting Sri Lanka's environment.

What led you to consider sustainable tourism practices?

SF: Sustainability is a vital component within tourism. Over the past five years, the industry has increasingly prioritised sustainable tourism to protect Sri Lanka's environment and natural resources.

Our aim was to introduce a novel experience catering to a niche segment that values finesse and ethical, sustainable practices. We faced many limitations. In terms of the development of global demand for conscious travel – that led to a knowledge gap within the local industry and a shift towards sustainable practices. This resulted in our partners showing interest to develop new responsible products targeting the low travel seasons while monitoring emission levels. These factors influenced changing our focus to including sustainable initiatives within our business strategy.

In 2022, we trialed electric vehicles (cars and bikes) to manage limited fuel and power shortages and integrated mud houses and tree houses as tourist attractions, redefining the sense of luxury we aimed to provide. Currently, we are navigating a delicate balance, where sustainability has become a key aspect within our scope to offer tourists the opportunity to enjoy landscapes while safeguarding our environment and preserving our culture.

What challenges did you face when adopting sustainable tourism that made you initiate the project with MDF?

DS: A big challenge was the limited technical knowledge of our team and suppliers to execute sustainable practices. Education and awareness are crucial in enabling people to embrace sustainable elements. It's much more than just installing a solar panel or cultivating an organic garden; it requires equipping our team with the knowledge to provide guidance and support to partners. We've engaged in a lot of handholding to facilitate progress.



How did this project with MDF begin?

DS: Five years ago, using 125,000 single-use plastic bottles for guests was standard practice. During the pandemic, we planted 6,500 trees across our Digana properties, aiming to mitigate our carbon footprint. We recognised the untapped potential to further enhance our sustainable practices.

We partnered with MDF in 2023, just as we had begun to explore new avenues to overcome the economic crisis and operate tourism using new ways. Although we had never worked in responsible tourism before, MDF enabled us to deep dive into finding solutions to overcome this barrier. MDF's support, resources, technical expertise and knowledge have enabled us to launch a dedicated responsible product specialising in low-carbon tours. We have received support from local and international technical experts to conceptualise this. As an organisation, we have always been keen to learn more, and we always aim to use non-conventional methods to execute new ideas. Thus far, the progress of this partnership has proven satisfactory to all our partners across the globe, and they are enthusiastic to extend it further. We aim to implement a more comprehensive strategy, designing programs to explore our supplier base to support this sustainable venture.

Could you explain the goal of this project with MDF and how it has progressed thus far?

DS: The past four years have been very challenging for the tourism industry. The low-carbon product we are developing through this project with MDF is practical, yet it involves radical thinking. We went on a fact-finding mission, using a science-based approach to integrate low-carbon travel into our ethos. This involved educating our team, suppliers, tour operators, and ensuring that this is a unique program within Sri Lanka.

The project has progressed steadily through collaboration among our team, the MDF team and technical experts. We have established a framework for our low-carbon tour business model by using a multifaceted approach, covering product objectives, branding and concept, marketing, and distribution strategy. With the support of technical resources provided by MDF we developed carbon measurement criteria and a supplier categorisation mechanism. Comprehensive training guidelines and e-brochures were also developed for suppliers. We have realised, the responsible tourism space isn't widely explored in Sri Lanka and this partnership has led us to adopt more ethical practices, inspiring others in the industry.

We need a separate approach to start a conversation with the industry on embracing this ideology and supporting us. This project has formulated a new brand for us, which we can develop and nurture as we expand into newer markets, working with clients and consumers more responsible with their travel.

? What are Authenticities' plans?

DS: At present, we are looking forward to realigning our business outputs and are continuing to invest in this space by looking at some of the infrastructure challenges in Sri Lanka, such as insufficient charging stations for electric vehicles. Having already invested in electric vehicles, our aim is to import more and procure charging station units while discussing installations with industry leaders at strategic locations. Through this project, we will recruit more employees for executing low-carbon tours. This new brand will complement our goals, guiding us to play a more responsible role in the tourism sector. It's poised to be a leapfrog in the industry, offering a new dimension for all players and we are eager to see the final outcome.

