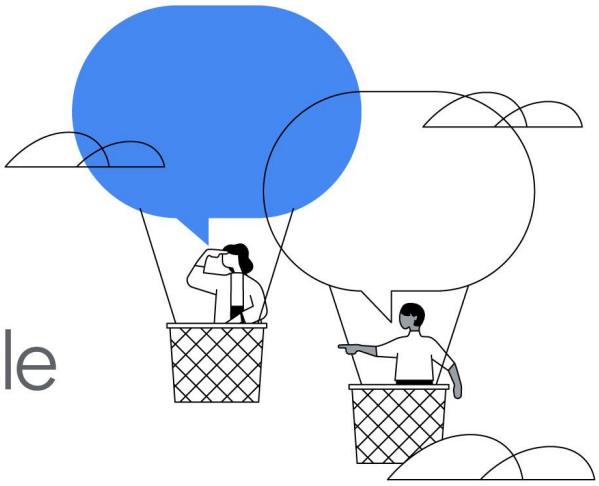
Think Travel
Leadership Circle



SEASON 2, EPISODE 7

Hype takes flight: Web3 in travel

Host: Hermione Joye, Sector Lead APAC Travel, Google
Guest: Martha Waslen, Founder & CEO, Dayaway

Hermione
Welcome to Think Travel: Leadership Circle, a podcast series where we talk to industry experts about the latest and greatest travel trends. I'm Hermione Joye, Sector Lead for Travel based here in Singapore for Google Asia Pacific.

Today's guest speaker runs a business at the intersection of a few exciting trends. Firstly, luxury travel in the experience spaces. And secondly, Web3, including NFTs and the metaverse.

Welcome Martha Waslen, CEO and founder of DayAway. DayAway is a platform for hotels to offer luxury experiences, from physical right through to fully immersive digital ones.

Martha, welcome to Think Travel: Leadership Circle. It's an absolute pleasure to have you here today.

Martha
Oh, thank you so much for having me.

Hermione

I am a big fan of DayAway, and I think I am an early adopter. Are you able to share with our audience today a bit about DayAway and the offering that you guys have put together?

Martha
Of course, well, DayAway is a luxury experiences marketplace. Right now we work primarily with five star luxury hotels to help them identify some of their maybe underutilized assets. And then we repurpose them for these engaging daytime experiences for our community of guests. And if you go to the mydayaway.com marketplace, you can discover, browse and book all of these really amazing experiences in one centralized online location.

Hermione
And I can vouch that they are really amazing experiences and you do get good deals as well. So I think it's a really affordable and unique way to be able to access luxury, luxury brands and hotels. And I tell you what I felt like I dreamt about your business in the pandemic because when it popped up, my friend referred me to you. I was like this is what I've been after. So I'm so glad that you have pulled this together. Now you're not just about physical experiences. You also seem to be an expert in the space of the metaverse, Web3, NFTs, is that correct?

Martha
Well, I wouldn't say I'm an expert, but I am certainly an enthusiast and a believer in what's possible because of blockchain technology. This space has been garnering some negative attention lately -

Hermione
Crypto will do that to you.

Martha
Yes, crypto is very much in a bear market right now.

Hermione
Good time to buy?

Martha
Maybe a good time to buy. I think so. It will come back. But because of the collapse of a stablecoin called Terra Luna and a couple of bad NFT projects. You know, there are a lot of investors who are running scared from the space. But we think it's an incredible time to start exploring what this new era of NFTs 2.0 will look like, what are the new use cases for blockchain technology, for NFTs, for metaverse, and really excited to explore that.

Hermione

Just to cut in, which I know is not great podcast etiquette. But for those who are new to all these terminologies and the metaverse, Web3, NFTs, can you please just break it down in layman's format? What is Web3? What is an NFT? And what is the metaverse?

Martha
Of course. So Web3 is the umbrella term that's used to describe this new iteration of the internet that's based on, built on blockchain technology and token economics. So what the mainstream might be reading a lot about in the media right now are cryptocurrencies, NFTS and of course the metaverse, which is this growing network of virtual worlds that are built primarily for social connection, community engagement and gaming.

Hermione
Okay, so metaverse is a virtual reality experience.

Martha
Correct.

Hermione
And NFT is..

Martha
So NFTs are non fungible tokens, essentially, an NFT is a digital certificate of ownership.

Hermione
And how does that evolve in travel? Because I get it. I get it for a film. Talk to me about how that's possible. How can you own a travel experience?

Martha
Well, I think yeah, it is interesting. Even within the Web3 space, I think NFT enthusiasts are really excited about what comes next. We've seen this use case for digital collectibles, art. The mainstream really sees it as a JPEG. You know, all of this hype around these, these digital collectibles trading for hundreds of thousands, millions of dollars. They see it in the news, but it's not enough for them to make the leap into Web3. They don't care about digital collectibles. But hundreds of millions of people in the world care about loyalty status, and points. So I think for DayAway, we are primarily focused on disrupting this space, NFT-enabled membership and loyalty programming. But I think it's important for everyone to remember that we're at the very infancy of what this technology can do. I believe within the next five years, it will be disrupting industries from retail to hospitality to travel to F&B. And, you know, everything from using the blockchain to manage third party contracts, CRM, customer service. And the beginning step for us is really to get people to buy into what

blockchain is capable of, through this NFT enabled membership and loyalty program that we're building.

Hermione
Blockchain is the foundation of Web3, and then NFTs and metaverse are built off that. Is that correct? For everyone at home.

Martha
Yes, correct.

Hermione
Fantastic. So you mentioned in the media, there's been a lot of hype and there has been right around crypto, and less so metaverse, but crypto, NFTs. And it feels like a bit of bubble. There are a lot of skepticists. What is it that makes you so passionate about and passionate enough to build a business? Partly around this sort of Web3 experience? What is it that makes you not a skeptic? Or believe that this is really the future.

Martha
Because I think when you dig into the technology, the adoption of it for a business like ours will make our business better. Web3, NFTs, metaverse are all about engaging communities. So if hospitality and travel were to adopt this technology, they could drastically be improving the customer awareness journey, discovery, experience, engagement, and retention. What we're building with our DayAway Genesis NFT, this new membership and loyalty program, is a way for people to buy into our community and connect with each other, but earn rewards and benefits through this NFT-enabled membership. For the first time ever, we'll be turning our loyalty program into an actual asset. Right now, I think in the wake of COVID, a lot of people are frustrated by how inflexible their loyalty programming is. There's not a lot of transparency, it's not transferable, and people aren't traveling the way that they used to. So, DayAway, in building this network of luxury experiences, we want to be this new kind of lifestyle loyalty program. And the more you're using our NFT-enabled membership, the more loyalty points you're accruing. That NFT that you bought for maybe 2500 US dollars, might in five years, 10 years might be worth $20,000, $50,000. Because of the amount of points that you've accrued, and for the first time ever, that is a saleable asset.

Hermione
NFTs sound, conceptually, to me, very exciting. But how does this work for your DayAway consumer? For example, I know you're in five markets now. If I buy an NFT now, what happens when you roll out? Because as I understand it, like once you buy an NFT, it's sort of your physical digital token. But so how does that evolve for a travel experience and a growing company like yours?

Martha
Sure. So the earliest purchasers of our NFT will get a wide range of benefits, access discounts, incentives to our current partners in the five markets where we operate. As our footprint continues to grow more countries, more cities, more experience providers and more utilities, we'll be airdropping those utilities to our NFT members. So as we expand into Europe, for example, and we're partnering with more hotels, private yacht companies, helicopter operators, we're building those experiences, we will airdrop certain benefits to booking these experiences with those providers to our NFT membership.

Hermione
And again, when you say airdrop. Can you just elaborate a little bit for those who are not as tech-savvy as yourself?

Martha
Yeah, so we created more passes. So you get all of these benefits to these experiences. That pass is also hosted on chain. So if you have this digital certificate of ownership, this NFT that you've purchased through DayAway, we can essentially add those benefits to your NFT membership so that when you sign into our platform, through an NFT-enabled gate, you have to sign in with your NFT, we can recognize that you are now eligible to redeem all of these benefits using your NFT.

Hermione
Okay, fantastic. Okay, it sounds like a really excellent way of also, hotels, enabling them or getting to know their first-party data, because they're really understanding the consumer. Is that something in that conversation with hotels about? Like how are you working with hotels to curate this and also to get them to adopt this? Because, you know, digitization has, and digital dependency has almost overnight in the pandemic just become like water in terms of a need. How are you able to approach hotels and garner their commitment around this and make it accessible to them?

Martha
Right, the NFT, specifically?

Hermione
NFT's. And also the experiences.

Martha
Yeah, the experiences. We were very lucky to be working with third parties like luxury five star hotels who really understand their guest database and what they want. People wanting to come into the hotel for a daytime experience is nothing new. But unfortunately, the hotels didn't have the technology and even the marketing tools to really sell this kind of inventory. So

our first step was to build that inventory management solution for them. And we had a number of our early adopter hotels who really participated in building that software. So that was really helpful. Now the next step of engaging communities to come and book these experiences, we've also been very lucky on the B2C side. Right now we're working with a number of credit card companies, membership clubs, Fortune 500 companies that want to use DayAway as an employee mental wellness benefit. These membership clubs that want to provide it as a membership benefit, or a credit card that wants to offer it as an incentive to their cardholders. They're coming to us with so much data around what their communities want out of wellness experiences, you know, travel, sporting experiences, etc. And then we can use that data to then go back to our hotel partners and curate these experiences.

Hermione
So personalization, personalization, personalization.

Martha
Exactly.

Hermione
I like it, I like it. As a somewhat high-maintenance consumer of travel products. That sounds right up my alley. So in terms of, you said, the NFT and the Genesis, are you doing one-off NFT's as well? And if you're part of the Genesis NFT, do you have unique access? Or can you share a little bit.

Martha
So we are dropping our Genesis collection in two installments, right now we are pre-selling something called the Founders Key. This is a limited drop of 500 NFTs that we are selling to high end collectors, VIPs, our existing community of early adopters, as well as partners. So Web2 and Web3 partners that we want to bring into this membership to offer utilities for our community. The subsequent drop that we'll be doing in a few months is a public sale. So a much larger collection of NFT's that we'll be selling globally for people to buy into this community. And for the first time, we will be able to offer them immediate, in real life utility. There are not a lot of NFT projects out there right now that are able to offer that kind of in real life utility.

Hermione
And could you elaborate on what that in real life utility would look like?

Martha
So some of these digital collectibles, for example, they're computer-generated art, they're bought purely on a rarity matrix. And they're purchased and sold, traded, based on speculation, but they have no real life utility. They do of course have real value. They're

trading for hundreds of thousands of dollars, but through a membership NFT like DayAway is launching, you can actually use that to, as I mentioned earlier, redeem all of these amazing benefits and incentives, getting access to exclusive experiences that aren't available to the public. So really a real life tangible benefit to holding this NFT.

Hermione
And then if you decide you don't want to travel anymore, you can trade it.

Martha
You could trade it but the hope is that we are building a lifestyle loyalty program that it's not purely built around travel or even just hotels.

Hermione
Okay.

Martha
We want to bring in hospitality adjacent partners, luxury retail, as I mentioned, maybe private yacht companies.

Hermione
Yacht isn’t travel.

Martha
Yeah, exactly. Parties that you want to be hosting in unique settings, you could redeem that all using your DayAway NFT. And to your point earlier about one-offs, we will absolutely be exploring that. So we're launching a series called The Bucket List. And The Bucket List will be limited edition, once-in-a-lifetime, money can’t buy experiences that are auctioned off as one of one NFTs. And we're working with some of the most iconic hotel properties in the world right now, to launch that initiative. We're really excited about it. And if you have your DayAway Genesis NFT, you will gain early access into those auctions to be able to bid on those experiences.

Hermione
I foresee that being a very lucrative market.

Martha
Yeah, we're excited about it.

Hermione

NFTs are not the only the topical subject when it comes to Web3. Metaverse is a really big thing. We've heard tons about metaverse in the media. What value do you think metaverse brings to the travel industry? And who is that consumer?

Martha
I think it's easy for hotels or travel brands to think that the metaverse is not of interest to their guest database, that it's only this very small percentage of the population that's interested in this trend and, and right now they wouldn't be wrong. I mean, there are less than 400,000 NFT holders in the world, trying to gain access into these metaverse projects.

Hermione
Could I interrupt? Is that because demand or because it's been so costly?

Martha
I think it's awareness. Honestly, the on ramps to get into crypto, to creating a wallet, to buying Ethereum, to then buy and trade NFTs is still a very clunky process. And you'll see a whole market now emerging of people who are trying to ease that friction to bring the masses into purchasing cryptocurrency experiences in metaverse and trading NFTs. But I think what's really interesting about this space is when I mentioned earlier that we're just in its infancy, we're not seeing the wide range of use case for metaverse and NFT. So I think, as these hundreds of millions of people that I mentioned are in these loyalty programs start to understand the benefits of using blockchain technology. It's interesting because it could be starting before they've even bought in. Blockchain could be powering things behind a loyalty system, behind a membership, behind CRM, before people even realizing that it's a part of their everyday lives. And I think this is what the Web3 community is really excited about. How can I -

Hermione
I heard the Thai Tourism Board talking about using blockchain as well.

Martha Oh, absolutely.

Hermione
As they like relaunched to the world, they want to develop blockchain and get into blockchain for like, tourism. And I thought that was really surprising. And for a country like that to be getting involved. It was an eye opener to me, because it was the first time I realized how accessible it could be. And where this was going.

Martha
Absolutely. And I think, you know, they're not the only tourism board that are exploring this, you know, in the Emirates they are about to launch, or they're thinking about building their

own metaverse in Dubai, and investing in a number of metaverse projects to relocate their headquarters, to UAE. So I think we're going to see that a lot of tourism boards, major hospitality, and travel brands, really believe that this is worth the investment.

Hermione
But why?

Martha
The technology is not going anywhere. I mean, it'd be like 20 years ago, a boutique saying that brick and mortar was enough for them. They didn't need to invest in Google Ads, they didn't need to engage, yeah, then they don't need to engage consumers online. Now, it does seem a bit gimmicky, and even players in the space and hospitality and travel. You know, I think there needs to be more education in this industry about how blockchain can be used, it seems like a lot of brands are trying to fit their company into Web3, instead of exploring ways that Web3 can better serve their business and their community.

Hermione
That makes sense.

Martha
So we, as I mentioned, I think, you know, the NFC-enabled membership and loyalty program is a great place to start to educate people about how useful this technology is. But I think over the next few years, you'll see hospitality brands using NFTs and metaverse specifically, to really expand that customer experience and engagement and enhance their relationship with the guest. Everything from discovery. So you know, I've shared this example before, but if you were a new hotel property opening here in Singapore and looking to attract source markets, in Europe in the US, you could be engaging with those communities a year before you even open your doors.

Hermione
Like it, creating hype.

Martha
Exactly.

Hermione
I remember when Yahoo! came to Australia and on buses. This is showing my age. But they had like the “hoo!” and it was a tease. So you could use your metaverse as a tease, right?

Martha

Absolutely, but in a really meaningful way. So these metaverse experiences can bring a potential guest or customer into the world of your brand. You're not limited by the laws of physics, right? So if you're a brand that's really placing emphasis on art, culture, F&B, fitness, wellness, these are things that you can really amplify in a virtual experience. And then, of course, if people are buying into your community, I mean, eventually these hospitality brands could be launching their own tokens, their loyalty programs could also be powered by blockchain. And once people have really bought into that community so deeply, that hospitality brand is now its own lifestyle brand. They could be using their own token, their NFTs to barter with other loyalty programs.

Hermione
Does a consumer need special technology to be able to access the metaverse?

Martha
There's a lot of debate about this. I think everyone thinks that the metaverse is only accessible with VR goggles. That's not true. There are a number of metaverse experiences that you can just engage with on your computer. I think the technology will advance in such a way that there are more gadgets to amplify that experience - better goggles, you know, you see it in movies, sometimes these full body suits. I think there's a market for it. But at the same time, you know, metaverse can still be experienced in 2D on your computer.

Hermione
Okay, what's your favorite metaverse, that you've experienced so far? Are you allowed to have favorites? Or is that like?

Martha
Well, I think there are a number of metaverse projects that we'll see launching over the next 18 months that I'm very excited about. Projects that are built in something called Unreal Engine Five, making the experience completely photorealistic. So I'm really looking forward to those experiences, especially with working within a luxury industry. I think those are a much bigger fit for these bigger hospitality and travel brands than maybe some of the metaverse projects that are accessible today.

Hermione
Okay. And in terms of metaverse, do you just see it being there? I can see when you're talking about it, I can see it for the dream phase and the research phase. What about like the conversion phase in terms of, like, is there going to be an economy in the metaverse within travel?

Martha

Absolutely. I mean, I think you'll start seeing hotel and airline brands launching not just an experience in the metaverse but property. So a large hospitality brand building different hotels in different metaverse projects as a way to definitely attract new guest segments, and then engage their existing guest database. And then of course, even post stay continuing to engage with that guest and hopefully getting them to convert again.

Hermione
So I get the loyalty. I get the dream research and even conversion, but tell me why I would want to buy something in a metaverse that isn't? Like what is that? How does that help? Like, why would I want to do that?

Martha
Well, I guess it really depends on what communities you engage with. Now, like what's important to you as a consumer, how do you want to engage.

Hermione
But who's the consumer who wants to do that?

Martha
Well, as I mentioned, right now, it is kind of a niche market of people who are buying into this technology. But as you start seeing brands like Gucci, Tiffany's, Prada, Nike, Adidas, Visa, MasterCard, buying real estate and building experiences in the metaverse, and launching their NFT collections, it might seem like a very far leap for you right now. But I think in the coming years, these worlds are going to come very close together. So those brands that you love, and you're a loyal customer. They are, they're going to do the work to entice you into their metaverse experiences.

Hermione
So I'm going to need two closets. A digital one...

Martha
Absolutely.

Hermione
Or maybe I just have a digital one. My husband will be thrilled.

Martha
And when you start buying your first NFT, maybe purely because of the work that it takes to create a wallet and to buy and trade your NFT, there is a real emotional connection with that asset. Even if it just sits in your wallet. It's, I mean, what the community by now shows us is they like to flex. So they've bought that and they liked it's their social avatar, it's and across all

of their platforms. And there is a real emotional connection there. So if you bring that virtual experience, in addition to your existing loyalty to that brand, I think there could be something really powerful.

Hermione
I can really see how that will. How I mean, I'm already passionate about the brands I'm loyal to so I can buy into that. Do you think an experience, people are going to feel emotional about?

Martha
The NFT isn't the experience itself, it's a souvenir from redeeming this experience that was only ever available to you.

Hermione
It’s a Black Amex. Or Solitaire.

Martha
Exactly. And what we're seeing now, especially in the market as this, you know, the hype around NFTs and metaverse is growing is, you know, a brand that launches a one of one NFT like this, for example, Lamborghini just did it. It's big news for the brand. It's also big PR for the purchaser. So there are people that want people to know that they are the person who bought this one of one NFT. And what I think is really interesting about redeeming experience as a one of one is that we could put this NFT up for auction and somebody buys it, but it continues to trade. So if we are facilitating this kind of activation for a hotel partner, that hotel will continue to make money on the royalties every time this NFT is traded. So it's generating revenue for them. It's creating news. Yeah, every time a new purchaser maybe doubles the price. Let's say we put up this bucket list experience for a million dollars, because it's to a close network of VIP collectors. And it goes on the open market, they could sell it for double.

Hermione
Yes.

Martha
It's maybe not an experience everyone in the world wants, but it's an experience one person would pay $2 million for.

Hermione
And then the hotel makes money off that trade.

Martha
Of course. And then once that in real life experience is redeemed, it makes global news again. Yeah. So I think these are really amazing ways for hotels to really start experimenting with

what's possible in Web3 for their brand. And it’s a great way for, you know, to generate more community engagement and awareness.

Hermione
Well, I mean, our communities are ripe for the picking right now. It is all about communities as it pertains to travel. And so as we wrap, what are your like, how do you see this disruption affecting travel? What are the pros? Are there any cons? It sounds exciting, but I'm a bit worried no one's actually going to leave their desk.

Martha
Yeah, well, I think, you know, we should expect to see a lot of bad projects, you know, people who are jumping into Web3 projects too soon, without really taking the time to educate themselves about what's possible in Web3. And without really digging into that data around their guests, what are their guests want, for example, we're hearing some brands that want to sell rooms as NFTs. From my perspective, that's just complicating the guest journey instead of enhancing it, like that's the wrong way to go. So I think, you know, like any transition of an industry to adopting new technology, we might see some fumbling along the way. But I think mass adoption of this technology will see hospitality and travel brands turning into lifestyle brands, communities that are so loyal, I mean, especially if these brands were to launch their own tokens. Imagine if you're so loyal to one brand, and they’re, you know, airdropping, you are rewarding you with tokens that you can redeem not only at the hotel, but maybe a partner airline or a luxury retail boutique, that is really powerful value.

Hermione
That's also kind of gamifying travel. Right?

Martha
Absolutely.

Hermione
And now, just to close, a lot of this conversation has been on luxury. Is this the only market you think like within travel that can be played in? Is it so expensive, tech-wise, and things like that, that the three-star hotel cannot be part of it? Or like, can it expand to the masses?

Martha
Absolutely. I think so I actually think some of the more mass market hospitality and travel brands might even have a greater opportunity. Of course, with the luxury brands, there's lots of hype, you know, there's an aspirational buyer that's really excited about any NFT project with a luxury brand. But I think in mass market, hospitality and travel, there's a real opportunity to engage those communities and reward them as well. You know, the backpackers who are traveling and staying in multiple hotels are redeeming.

Hermione
They like gaming.

Martha
Exactly. They like gaming, and they're redeeming different points. But truly, wherever there is a community of people, there is an opportunity for Web3, to engage that community.

Hermione
That’s great, I like it. I think I have ended this podcast as a believer. So you've convinced me and I am not always the earliest adopter. So thank you for sharing Martha and best of luck with your business and adventures, you've already accomplished so much. It's been really great to speak to you.

Martha
Thank you so much again for having me.