December 2023

RCU Scale-up Hub

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/01 Introduction

1.1 Overview of AlUla

AlUla, is one of the oldest cities in the Arabian Peninsula and home to Hegra, Saudi Arabia's first UNESCO World Heritage site.

The **region is rich** in historical, geological and geographical significance, and this ancient city, once at the crossroads of The Silk Road and The Incense Route, has only recently been re-discovered by the world.

The vision for AlUla is to offer a '**journey through time'.** A luxurious experience that combines sightseeing, nature, trekking, and motor-sports' activities with the possibility of enjoying Arabian's most authentic traditions.
All of it one step away from the Old Town's open-air heritage museum.

The city's management wants to monitor as many visitor's touchpoints as possible to create the **best possible experience**. Considering we are talking about an open space; the challenge is evident. **Technology** will surely be part of the solution.

Although AlUla's innovation department is working with all kinds of regional stakeholders during the exploration phases, it is not doing so during implementation.

Innovation must become decentralized and developing a consistent and thorough Road Map will permit to have a **finetuned strategy** that systematically evolves in time.

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Royal Commission for AlUla
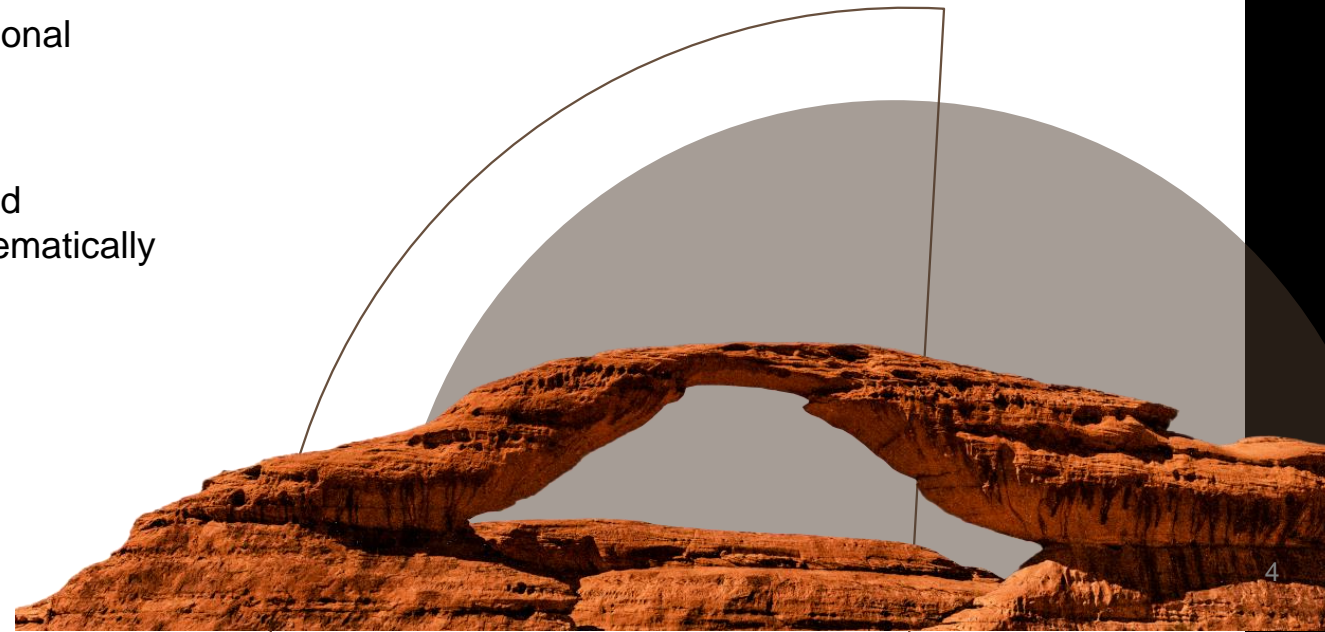
1.2 Role of the Royal Commission of AlUla (RCU)

RCU, in order to achieve its **vision**, will work in **collaboration with local and international experts** in archaeology, heritage conservation and preservation, architecture, and master planning to deliver an environmentally and historically-sensitive transformation of AlUla.

RCU is **investing in education** and learning for AlUla's next generation and creating training and employment opportunities for its people, with the objective of working hand-in-hand and supporting the local community,

RCU's development plan will commission the infrastructure and visitor facilities that will underpin AlUla's future success, while protecting its natural beauty and historic sites.
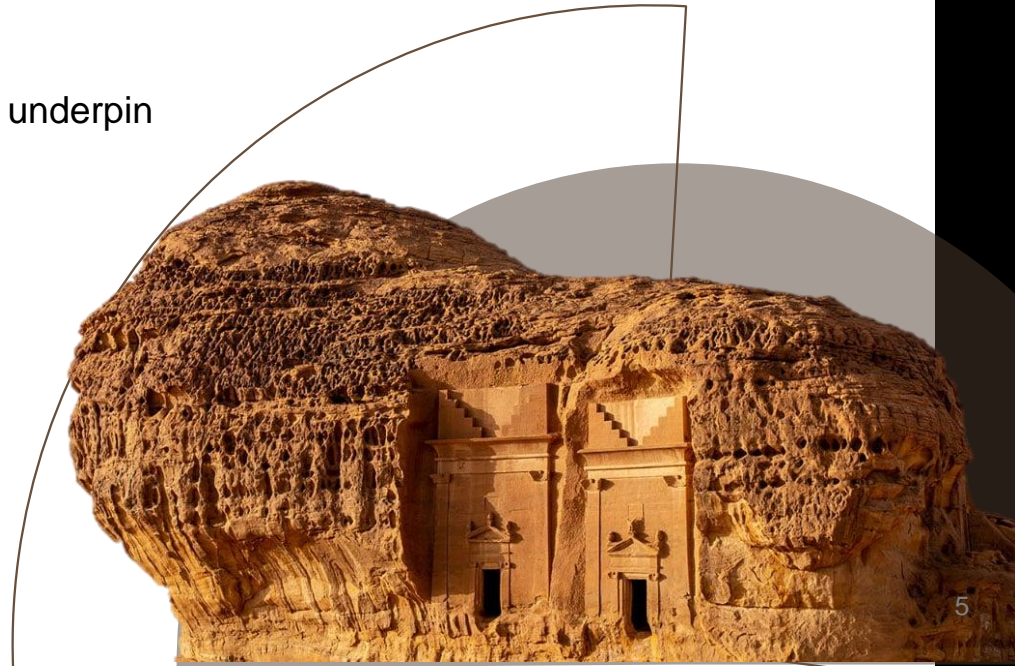
/02 RCU Scale-up Hub Program

2.1 Program Objectives

The main **objectives** of this program is to help RCU to identify and test innovative solutions to business challenges through a series of pilot projects with scale-ups. The specific objectives of this program include:

1.

Identify new solutions to business challenges, that will help RCU sectors to stay competitive and differentiated

2.

Test innovative products, services, and experiences through a series of pilot projects to determine whether their viability and impact in the overall objectives

3.
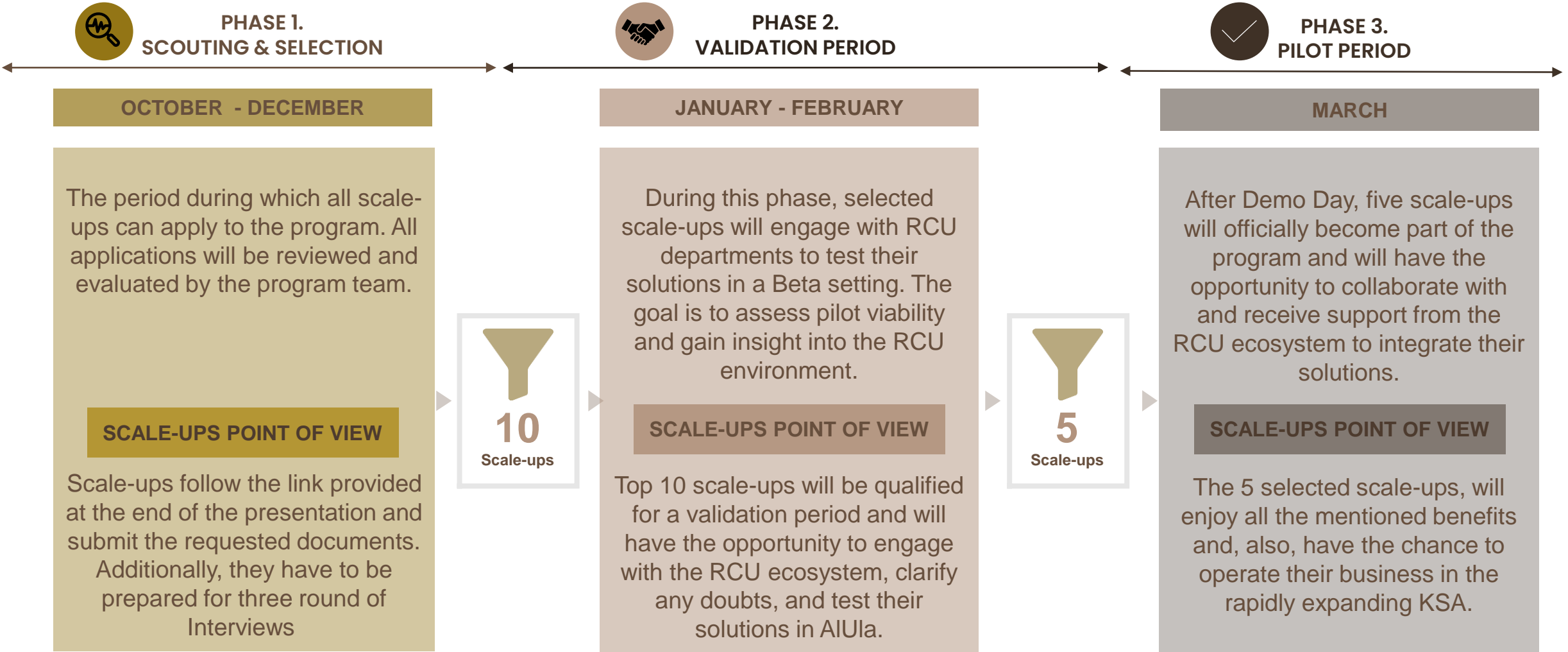
Build partnerships between RCU and scale-ups to foster collaboration and innovation that enhance the visitor experience

4.

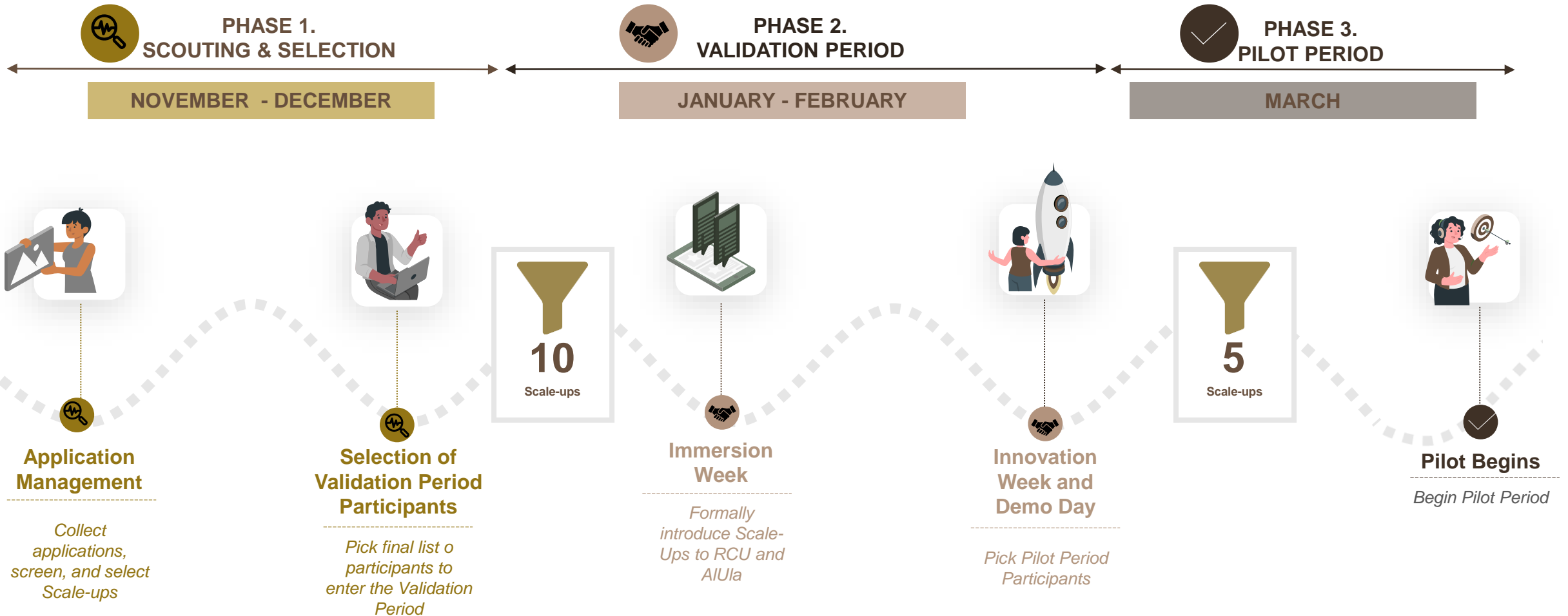**Promote innovation within RCU,** adopting new ideas and facilitate the knowledge transfer from the ecosystem

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2.2 Program Timeline

The RCU Scale-Up Hub has been structured in 3 phases:

PHASE 1. SCOUTING & SELECTION

PHASE 2. VALIDATION PERIOD

PHASE 3. PILOT PERIOD

OCTOBER - DECEMBER

JANUARY - FEBRUARY

MARCH

The period during which all scale-ups can apply to the program. All applications will be reviewed and evaluated by the program team.

During this phase, selected scale-ups will engage with RCU departments to test their solutions in a Beta setting. The goal is to assess pilot viability and gain insight into the RCU environment.

After Demo Day, five scale-ups will officially become part of the program and will have the opportunity to collaborate with and receive support from the RCU ecosystem to integrate their solutions.

SCALE-UPS POINT OF VIEW

10 Scale-ups

SCALE-UPS POINT OF VIEW

5 Scale-ups

SCALE-UPS POINT OF VIEW

Scale-ups follow the link provided at the end of the presentation and submit the requested documents. Additionally, they have to be prepared for three round of Interviews

Top 10 scale-ups will be qualified for a validation period and will have the opportunity to engage with the RCU ecosystem, clarify any doubts, and test their solutions in AlUla.

The 5 selected scale-ups, will enjoy all the mentioned benefits and, also, have the chance to operate their business in the rapidly expanding KSA.

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2.3 Key Moments

The RCU Scale-up Hub has been structured in 3 phases:

**PHASE 1.
SCOUTING & SELECTION**

**PHASE 2.
VALIDATION PERIOD**

**PHASE 3.
PILOT PERIOD**

NOVEMBER - DECEMBER	JANUARY - FEBRUARY	MARCH

10
Scale-ups

5
Scale-ups

**Application
Management**

*Collect
applications,
screen, and select
Scale-ups*

**Selection of
Validation Period
Participants**

*Pick final list o
participants to
enter the Validation
Period*

**Immersion
Week**

*Formally
introduce Scale-
Ups to RCU and
AlUla*

**Innovation
Week and
Demo Day**

*Pick Pilot Period
Participants*

Pilot Begins

Begin Pilot Period

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2.3 Key Moments

IMMERSION WEEK	VALIDATION PROGRAM	INNOVATION WEEK	PILOT PERIOD
WHAT	**WHAT**	**WHAT**	**WHAT**
• One week in AlUla, where the scale-ups will have the opportunity to understand the business environment and cultural heritage	• Participation in weekly meetings to connect scale-ups with RCU business areas to determine the viability of collaboration during formal Pilot Period	• Scale-ups will spend one week in AlUla, preparing the pitch to present to RCU leadership during the Demo Day. Only 5 scale-ups will be selected after Demo Day	• Incorporation of Scale-up Business Model in RCU Business Areas, with the support of RCU ecosystem collaborators
WHEN	**WHEN**	**WHEN**	**WHEN**
• End of January 2024	• February 2024	• March 2024	• End of March 2024
HOW	**HOW**	**HOW**	**HOW**
• In-person	• Hybrid	• In-person	• Hybrid

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2.4 Value Proposition for Scale-ups

The RCU Scale-up Hub brings **tangible value** to Scale-ups by testing solutions in AlUla, conducting pilots, and establishing a partnerships.

HIGHLY INTEGRATED VENTURE PARTNER

- Tourism and travel industry **connections**

- Being **integrated** while keeping **autonomy**

- A unique **green-field** destination to test initiatives

TANGIBLE AND FINANCIAL BENEFITS

- Up to **250K euro** financial support for pilot program

- **Non-dilutive** capital investment

- Potential **contract** with one of the Royal Commissions of Saudi Arabia

SPECIALIZED TRAINING AND MENTORING

- **Not** an acceleration program

- Hands-on **collaboration** with RCU Business Areas

- **Mentoring** and advice

- Regional **knowledge and training** modules
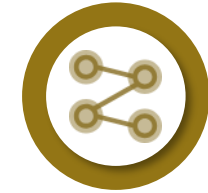
NETWORK & LIFELONG LEARNING

- Access to a **global network** of high-impact organizations: UNWTO, Amadeus, MIT, NASA, Microsoft, Opinno, IE, McKinsey, among others

- Engagement with the RCU **ecosystem**

- Access to entrepreneurship and innovation **events**

/03 Search Criteria

3.1 Examples: RCU Challenges

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These are some examples of the challenges have been curated by the tourism department leaders to focus our search and develop the necessary impact in the RCU:

CHALLENGE 1	CHALLENGE 2	CHALLENGE 3	CHALLENGE 4
How can AlUla take advantage of AI generative technologies in the way we use data, can **we replicate an AI-ChatGPT** like **tool** which allow us to interrogate our own data, forecast, benchmarks, industry data?	How can **predictive analytics** be employed **to forecast tourism trends** and **visitor preferences,** helping to tailor services and experiences accordingly, on the spot and on the long run?	How can **dynamic pricing strategies** be implemented based on real-time data to optimize revenue while offering value to visitors?	How can we create systems that allow us to **sell unsold inventory** in an optimal way (last minute discounts, to who? Standby tickets?)

CHALLENGE 5	CHALLENGE 6	CHALLENGE 7	CHALLENGE 8
What opportunities exist for **monetizing the data collection** and analytics, **creating new revenue streams** while ensuring ethical use of data?	How can AlUla build a **resilient supply chain to** mitigate disruptions and ensure a steady supply of essential goods and services for the tourism sector?	How can AlUla foster **community engagement** and acceptance to ensure that the local community **actively supports and benefits** from the tourism initiatives?	How can AlUla foster a **culture of research and development** to continuously innovate and offer new experiences, staying ahead in the competitive tourism market?

3.1 Examples: RCU Challenges

These are some examples of the challenges have been curated by the tourism department leaders to focus our search and develop the necessary impact in the RCU:

CHALLENGE 9	CHALLENGE 10	CHALLENGE 11	CHALLENGE 12
How can AlUla ensure that the **staff** across all touchpoints are **well-trained** to offer exceptional service, enhancing the overall visitor experience?	How can we **incentivize visitors** to **share their data** willingly and ethically, ensuring them that their information will be used responsibly, allowing us to further engage with them in the future?	How can AlUla evolve into a **smart destination**, **leveraging technology** to offer services such as smart transportation and information kiosks based on the data shared by visitors?	How can an **innovation hub be established** to **foster new ideas** and startups that can contribute to the tourism ecosystem in AlUla?

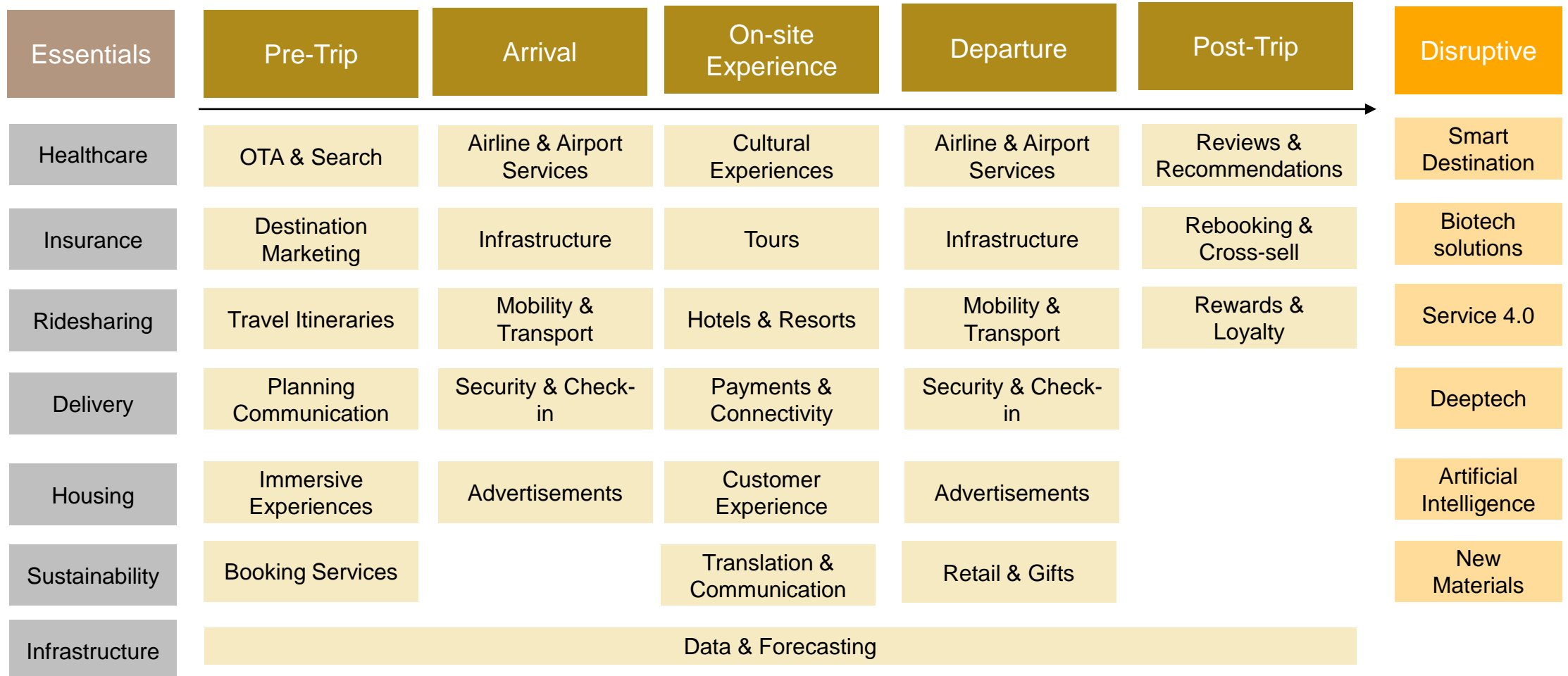| CHALLENGE 13	CHALLENGE 14	CHALLENGE 15	CHALLENGE 16
How can we establish **a feedback mechanism** to continuously gather insights from tourists and stakeholders and use this information for ongoing improvement?	How can AlUla **leverage** the emerging **metaverse platforms** to create virtual tourism experiences that can potentially **translate to real-world visits**?	What opportunities exist for AlUla to **collaborate with video game developers** to integrate its unique landscapes and historical sites into popular video games, enhancing its global visibility?	How can **VR technologies be leveraged** to offer **immersive-experiences,** allowing visitors to explore AlUla's historical sites in a new dimension? (promote sites through VR in visitor centers i.e. allowing us to raise excitement)

3.1 Examples: RCU Challenges

These are some examples of the challenges have been curated by the tourism department leaders to focus our search and develop the necessary impact in the RCU:

CHALLENGE 17	CHALLENGE 18	CHALLENGE 19	CHALLENGE 20
How can we become and **arts and creative hub** where we **attract** artist, musicians, poets, painters, etc. to collaborate?	How can we develop **hyper-connectivity** to monitor **real time flows** of people, data, transactions, flows?	How can we optimally **blend packaged and experiences** to create optimal **itineraries**?	How **can AlUla collaborate with airlines, hotels, and other stakeholders** to create a comprehensive loyalty program that offers value-added benefits to tourists?

CHALLENGE 21	CHALLENGE 22	CHALLENGE 23	CHALLENGE 24
How can we **flatten summer visitation** in AlUla offering experiences that can be enjoyed during the low season and are **differentiated, unique** and drive tourist to AlUla?	What opportunities exist for **developing gamified learning experiences** at AlUla's historical sites to enhance the **educational value** of the tours?	How can **green initiatives be promoted,** encouraging visitors to adopt sustainable practices during their visit to AlUla?	How can **community-based tourism** be promoted, **involving the local community** in tourism development and ensuring that they reap the benefits?

3.2 Tourism Value Chain

We are looking for Scale-ups that solve challenges along the entire value chain of the tourism industry:

Essentials	Pre-Trip	Arrival	On-site Experience	Departure	Post-Trip	Disruptive
Healthcare	OTA & Search	Airline & Airport Services	Cultural Experiences	Airline & Airport Services	Reviews & Recommendations	Smart Destination
Insurance	Destination Marketing	Infrastructure	Tours	Infrastructure	Rebooking & Cross-sell	Biotech solutions
Ridesharing	Travel Itineraries	Mobility & Transport	Hotels & Resorts	Mobility & Transport	Rewards & Loyalty	Service 4.0
Delivery	Planning Communication	Security & Check-in	Payments & Connectivity	Security & Check-in		Deeptech
Housing	Immersive Experiences	Advertisements	Customer Experience	Advertisements		Artificial Intelligence
Sustainability	Booking Services		Translation & Communication	Retail & Gifts		New Materials
Infrastructure	Data & Forecasting					

3.2 Scale-up Profile

Scale-ups that pass our filtration system will have the following qualitative charateristics:

Tangible:

☑ Proven business model

☑ Solid customer base

☑ Developed product / service

☑ Innovation and differentiation approach

☑ Proven traction growth

☑ Cohesive leadership and team

☑ Substantial investments from venture capital firms or other investors

Intangible:

☑ Serious interest in Middle East expansion

☑ At least 2 full-time founders

☑ Availability to participate in 2-month pre-pilot program

☑ Risk tolerance and adaptability in undeveloped markets

☑ Cultural sensitivity and emotional intelligence

☑ Strong network and resourcefulness

☑ Availability to send team member to be on the ground in AlUla

3.2 Scale-up Profile

RCU Scale-up Hub is looking for the following level of maturity from its pilots (not limited to):

Attributes	Pre - Seed	Seed	Series A	Series B	Series C	Series D - ….
Stage of Operation	Idea stage	Pre-launch	Growth	Expansion	Expansion +	Maturity
Product	POC	Prototype / MVP	Product	Product extension	Portfolio	Product evolution
Customer base	Beta testers	First validators	Early adopters	Solid critical mass	Customer diversification	Mainstreet market
Stage focus	Validation and customer traction	Branding, marketing, operations, hiring	Market expansion, expert hiring, partnerships	Merge and acquisitions, vertical integration	Horizontal integration	New business lines
Investors	FFF, Grants, Incubators, Crowdfunding	Angel Investors, VCs, Crowdfunding	Venture Capitalists	Venture Capitalists	Venture Capitalists, Investment Funds	Venture Capitalists, Investment Funds
Funding raised	N/A	$10K – $1M	$2M - $10M	$15M - $70M	$80M – $200M	+$200M
Valuation	N/A	$3M - $6M	$10M - $20M	$100M - $200M	$250M - $1B	+ $1B

FOCUS

4.1 Program Summary

Benefits

Pilot Paid: Up to 250k euros of expenses paid to integrate solution at RCU.

Non-dilutive: No equity will be taken from participants of this program.

Award: After the Pilot Period, the scale-up will have an opportunity to get a contract with RCU.

Support: RCU Innovation Department, Opinno Consultants and ecosystem experts will be guiding the process.

Training: IE and KAUST professors will help with training of Scale-ups.

Network: Leaders from UNWTO, Amadeus Ventures, MIT, NASA are key collaborators of this project.

Details

Pilot Duration: between 2 and 6 months. Depends on the complexity of the integration.

Delivery Format: Hybrid, with a minimum period of 3 weeks in AlUla (travel expenses paid).
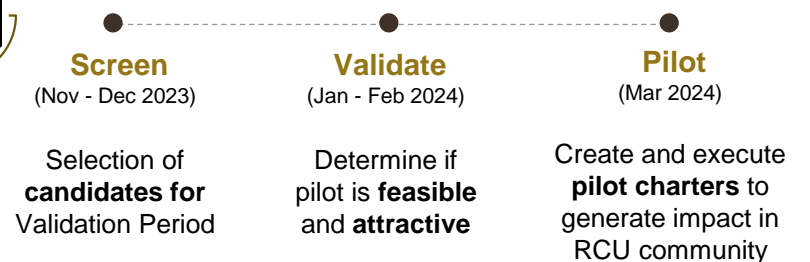
Sectors: Entire tourism value chain.

Maturity level: Preferably series A or B funded scale-ups with proven business models and plans to expand to the Middle East.

Timeline:

Screen	Validate	Pilot
(Nov - Dec 2023)	(Jan - Feb 2024)	(Mar 2024)
Selection of **candidates for** Validation Period	Determine if pilot is **feasible** and **attractive**	Create and execute **pilot charters** to generate impact in RCU community

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4.2 Next Steps

Application Deadline   23 December 2023

Qualified Scale-ups Announcement   8 January 2024

Application Link

🔍 [Apply Here](#)

Time to Complete Application

⏳ 10 Minutes

Documents to Prepare

📄 Pitch Deck
Financial Statements

Useful Links

To better understand the projects in Saudi Arabia, it is suggested to follow the link below to deepen your knowledge

1 About AlUla | The World's Masterpiece (experiencealula.com): The website provides comprehensive information on the region's history, culture, and natural attractions.

2 Royal Commission For AlUla, Home (rcu.gov.sa): This is the official website of the Royal Commission for AlUla (RCU), a Saudi Arabian government agency that is responsible for the development and preservation of the AlUla region.

3 Saudi Vision 2030: This website supports deepening knowledge about the general context of Saudi Arabia, its three main pillars, objectives, and projects for 2030.