

LCQ4: Measures to attract visitors to Hong Kong

Following is a question by the Hon Elizabeth Quat and a reply by the Secretary for Culture, Sports and Tourism, Mr Kevin Yeung, in the Legislative Council today (January 17):

Question:

There are views that since the resumption of normal travel between the Mainland and Hong Kong early last year, the pace of recovery of visitor arrivals to Hong Kong has fallen short of expectation, and this, coupled with the change in tourism experience patterns of inbound Mainland visitors and the craze for going north for spending among Hong Kong people, has resulted in slackened consumer spending momentum locally, with the catering and retail sectors, among others, not achieving full recovery as expected. In this connection, will the Government inform this Council:

(1) whether the Government will explore with the relevant parties in the Mainland increasing the number of cities covered by the Individual Visit Scheme in order to further attract the massive consumer groups in the Mainland to visit Hong Kong, and raising the duty-free shopping quota for inbound Mainland visitors to accelerate the recovery of the local consumption market;

(2) as it is learnt that many visitors from the member states of the Association of Southeast Asian Nations and Middle East countries are keen to visit Hong Kong, whether the Government will introduce measures to attract more visitors from those countries to visit Hong Kong; and

(3) as there are views in society pointing out that Hong Kong's tourist receiving capacity is still relatively inadequate, in particular, the relatively high accommodation cost which dampens the desire of visitors to stay overnight, while there are also occasional reports on inhospitable services provided by business operators which create a negative impact on Hong Kong's tourism industry, of the measures put in place by the Government to expeditiously enhance the standard and capacity of Hong Kong in receiving tourists?

Reply:

President,

Tourism industry is one of the important pillars of Hong Kong's economy, accounting for about 4.5 per cent of our Gross Domestic Product before the pandemic and provided over 250 000 employment opportunities. The local tourism industry started to resume in February 2023 and recovered at full speed with number of visitor arrivals gradually increasing. The Hong Kong

Tourism Board (HKTb) forecasted 25.8 million visitor arrivals in the beginning of 2023. With the concerted efforts of the Government and the travel trade, visitor arrivals reached 34 million last year, far exceeding the previous estimate. During the previous New Year's Eve and New Year holidays, we recorded a total of around 430 000 Mainland visitor arrivals and a daily average of 140 000, which was 16 per cent and 6 per cent higher than that of the Labour Day and National Day Golden Weeks in the same year respectively and reached about 73 per cent of the average of the same period in 2017 and 2018.

The reply to the question raised by the Hon Elizabeth Quat is as follows:

(1) The Individual Visit Scheme (IVS) has been implemented since July 28, 2003, and is currently covering 49 designated Mainland cities. In 2023, the number of visitors arriving in Hong Kong through the IVS accounted for 60 per cent of the total Mainland visitors, which is comparable to the situation before the pandemic.

Expanding visitor sources to attract more high value-added overnight visitors has all along been one of the key strategies for developing Hong Kong's tourism. Regarding various proposals to enhance IVS in an orderly manner and adjust the duty-free allowance of the Mainland visitors arriving in Hong Kong, the Government will continue to maintain communication and discuss with relevant Mainland authorities in due course to provide Mainland visitors with more convenient and flexible ways to visit Hong Kong and enriching travel experience to facilitate the vibrant development of tourism-related industries.

(2) Member countries of the Association of Southeast Asian Nations (ASEAN) are Hong Kong's target source markets. HKTb has been launching various tourism promotions, including launching Announcement in the Public Interest to tie with the Airport Authority Hong Kong and airlines' distribution of free tickets in source markets last year, as well as co-operating with key opinion leaders (KOLs) and the travel trade on promotion to attract visitors to Hong Kong.

HKTb organised a large-scale ASEAN familiarisation trip in late 2022, receiving nearly 60 trade representatives from Thailand, Malaysia, Indonesia, the Philippines and Singapore. It is hoped that they will launch novel tourism products in ASEAN source markets and attract visitors to visit Hong Kong after experiencing Hong Kong's brand new tourism elements and winter ambience. HKTb invited more than 40 MICE trade representatives from ASEAN to visit Hong Kong in October 2023 to take part in the Hong Kong Wine and Dine Festival organised by HKTb, as well as to visit the new World of Frozen of the Hong Kong Disneyland, and to try out Hong Kong's local cafes and cuisines, etc., to promote Meetings, Incentives, Conventions and Exhibitions tourism. HKTb also participated in a number of travel trade shows in the Philippines, Thailand, Indonesia and Malaysia, and organised briefings to promote Hong Kong's tourism appeals.

Besides, HKTB, together with the Department of Culture and Tourism of Guangdong Province and the Macau Government Tourist Office, organised the first large-scale overseas promotional campaign for the GBA in Bangkok, Thailand, titled "The Greater Bay Area – Fusion of Exciting Experiences", which introduced the GBA tourism experience, and launched a new one-stop website for tourism in the GBA, as well as a series of programmes and promotions.

Since cross-boundary tourism has started to resume, the number of visitors from ASEAN member states has recovered to 73 per cent of the average of the same period in 2017 and 2018, higher than the recovery rate of overall visitors in the same period. Among them, visitor arrivals from the Philippines and Thailand recorded a significant growth, and the number of visitor arrivals in November and December, equals to 114 per cent and 104 per cent of the average of the same period in 2017 and 2018 respectively.

The Middle East markets are source markets with significant potential. HKTB will continue its promotional work on various fronts, such as organising briefings to introduce new tourism products to the local travel trade, promoting special tourism offers on travelling to Hong Kong and launching travel packages in collaboration with tourism brands, with a view to attracting visitors from the Middle East to visit Hong Kong.

In the meantime, HKTB has been actively promoting the Muslim source markets and invited media representatives from Muslim regions to come to Hong Kong to visit local "Muslim-friendly" establishments. The Muslim familiarisation trip organised in September let the incoming trade know that Hong Kong welcomes and is suitable for Muslim visitors. In addition, HKTB also consolidated a series of information about Hong Kong on its DiscoverHongKong.com website which catered for Muslim visitors, ranging from cuisine, hotel accommodation, local culture to activities suitable for Muslim visitors, etc., to attract them to visit Hong Kong and enhance their travel experience in Hong Kong.

HKTB will continue its publicity efforts in various aspects to promote Hong Kong's tourism appeals to the ASEAN and Middle East source markets to attract visitors.

(3) The HKSAR Government attaches great importance to the travel experience of visitors arriving in Hong Kong and has been continuously reviewing Hong Kong's capacity to receive visitors.

Regarding tourist attractions, the Hong Kong Disneyland Resort, the Ocean Park, the Peak Tram and the Ngong Ping 360, etc, has launched many new facilities in the past two years. Moreover, various cultural spots including Hong Kong Palace Museum, M+ museum and Hong Kong Museum of Art have been built or renovated, which helped to attract visitors.

On the receiving capacity of hotels, there were currently a total of more than 100 000 rooms offered by hotels and guesthouses, representing an 8 per cent increase when compared with end-December 2018. Besides, the actual

average hotel room rate was about HK\$1,500 in November, which is similar to the average level in the same period of 2017 and 2018.

Based on the findings of HKTB, the average length of stay of overnight visitors has extended from 3.1 nights before the pandemic to 3.5 nights in the third quarter of 2023. The proportion of overnight visitors has also increased. Over 50 per cent of visitors stayed overnight last year, surpassing the average of 46 per cent of the same period in 2017 and 2018. The proportion for non-Mainland overnight visitors remained at 66 per cent, similar to the average of the same period in 2017 and 2018.

On enhancing service quality, HKTB took the initiative to establish the "Professional Quality Tourism Services Pledge" in July 2023, gathering nearly a hundred representatives and frontline practitioners from tourism-related sectors to pledge on delivering the best experience to visitors. Moreover, HKTB will continue to enhance local service quality and hospitality through the "Quality Tourism Services Scheme" and organise the "Outstanding Quality Tourism Service Merchant and Service Staff Awards" to recognise efforts of high performing merchants and frontline practitioners. HKTB, together with the trade, will gradually organise a series of training videos and promotional activities this year and plans to launch new campaigns to mainly promote courtesy and service quality to consolidate Hong Kong's position as an international tourist destination and to encourage them to provide excellent services to customers.

Thank you, President.