

## LCQ5: Developing “concert economy”

Following is a question by the Prof Hon Chow Man-kong and a reply by the Secretary for Culture, Sports and Tourism, Miss Rosanna Law, in the Legislative Council today (January 8):

Question: There are views that the Government should expedite the development of "concert economy" and explore the potential for cultural and tourism consumption therein, with a view to increasing the number of tourists and stimulating the overall local economy. In this connection, will the Government inform this Council:

(1) whether it has compiled statistics on the number of large-scale pop music concerts held in Hong Kong since 2023, their themes, the numbers of local and non-local audience, the economic benefits brought to peripheral industries (including, among others, the catering industry and hotel industry), as well as the venue rental income brought to the performance venues under the Government, the West Kowloon Cultural District Authority and the AsiaWorld-Expo;

(2) whether it will consider formulating measures to encourage concert organizers to collaborate with large shopping malls, restaurants and hotels in the vicinity of the performance venues to provide consumption concessions to audience, so as to boost the local economy, create job opportunities and foster the development of the tourism industry, thereby promoting Hong Kong's popularity and prosperity; if so, of the details; if not, the reasons for that; and

(3) of the schedule of the key programmes to be held at the Kai Tak Sports Park (KTSP) this year; whether it will consider inviting singers who are highly influential among the Chinese communities at home and abroad (e.g. the "Four Heavenly Kings" in Hong Kong's music scene) to stage a large-scale concert at the opening ceremony of KTSP, so as to make a grand debut and raise the profile of KTSP internationally; if so, of the details; if not, the reasons for that?

Reply:

President,

Hong Kong, with a language environment of biliteracy and trilingualism, embraces both Chinese and Western cultures. Coupled with its unique geographical advantages that over half of the world's population can reach Hong Kong within five hours by flight, pop culture has always thrived in Hong Kong. The Government is glad to see that many concerts of singers and groups of Hong Kong and other places are held in Hong Kong every year, attracting locals and tourists from around the world to appreciate. Large-scale pop concerts can drive the economic development of relevant industries, boost social atmosphere, and stimulate local consumption. Most of the pop concerts

in Hong Kong are organised by private enterprises and operated on commercial principles. The Government rarely provided financial assistance. In considering conducting a pop concert in Hong Kong, most organisers will take into account various business factors, such as concert scale, financial feasibility, target audience group, audience size and venue facilities, etc. The Government welcomes private enterprises and intermediary agencies to continue seeking diverse singers and groups to organise pop concerts in Hong Kong.

My reply to the question raised by Professor the Hon Chow Man-kong is as follows:

(1) Taking into account the capacity of local performance venues, we can consider it a large-scale pop concert if the venue can accommodate more than 10 000 spectators. According to our estimates, approximately 350 large-scale pop concerts were hosted per year from 2023 to 2024, with an average about 15 large-scale pop concerts each month. We roughly estimate that these concerts attracted over 4.2 million spectators, including over 1.5 million tourists. Their spending is estimated to be about HK\$3.7 billion, bringing a value add of about HK\$2.2 billion to the Hong Kong economy. Among these, some individual concerts, especially those involving non-local performers and support crew, can drive nearly a direct spending of over HK\$100 million. With the completion and commissioning of the KTSP, more large-scale and economically beneficial concerts can be held in Hong Kong. Hong Kong would become a prime location for hosting large-scale pop concerts, aligning with our goal of developing Hong Kong as the "capital of pop culture" as in the Blueprint for Arts and Culture and Creative Industries Development, and promoting "Mega events+Tourism" as in the Development Blueprint for Hong Kong's Tourism Industry 2.0 for curating distinctive tourism activities and products.

The income from hire charge is amongst the economic benefits brought by pop concerts. For the Hong Kong Coliseum (HKC), the daily basic hire charges is mainly applied for the days for setting up and dismantling the stage and for rehearsals during the rental period, and the hire charges on performance days is calculated based on the gross ticket proceeds of each performance. Pop concerts held at the HKC in 2023 and 2024 brought income from hire charge of over HK\$140 million for the Government. As for the AsiaWorld-Expo, considerations on venue hiring include various factors, such as venue availability, concert scale, audience appeal of the performers, and the organisers' track record. The venue rental charge is determined based on market practices and calculated based on the scale and ticket proceeds of individual concerts. As for the West Kowloon Cultural District (WKCD), the venue hiring policy is similar to that of AsiaWorld-Expo and determined based on market rates. Since both the AsiaWorld-Expo and the West Kowloon Cultural District Authority (WKDA) operate on a self-financing model, their income from hire charge is commercially sensitive information. Both organisations are unable to disclose relevant figures in order not to compromise the operational flexibility of the venues and their competitiveness in Asia.

(2) Hong Kong Tourism Board (HKTB) has set up a dedicated page to consolidate

and list out detailed information on concerts held at different performance venues in Hong Kong to facilitate visitors to gain access to the information, and allow them to plan their itineraries ahead so that they could paid visits to different parts of Hong Kong in addition to attending concerts.

The HKTB has set up Mega Events Development and Advancement Division (MEDA) since 1 March 2024 to serve as the first point of contact for mega events. The MEDA has been actively engaging various stakeholders, including the organisers of large-scale performances and concerts, and providing a wide range of support, including reviewing and assessing proposals from organisers, helping organisers to search for venues, arranging site recces, advising on event planning and assisting in publicity and promotion.

The Government welcomes and is glad to see the organisers of pop concerts have been strengthening cross-sector promotion and tourism products, creating comprehensive and immersive travel experiences for tourists. As I mentioned at the beginning, pop concerts in Hong Kong are organised by private enterprises and operated on commercial principles. There are abundant examples of industries proactively collaborating to create synergy. For instance, accommodation packages are offered for an international pop concert scheduled for this April at the KTSP, which have been very well-received. AsiaWorld-Expo has been collaborating with business partners in capitalising concert economy, including connecting concert organisers with nearby hotels and tourist attractions to assist them in launching concert-related promotions / bundle offerings. The WKCD has also been encouraging concert organisers to collaborate with shopping malls, restaurants and hotels near the WKCD to offer special concessions to audiences.

(3) Opening in the first quarter this year, the KTSP is the largest sports infrastructure project ever commissioned in Hong Kong. It will boost sports development and inject impetus into related industries such as recreation, entertainment and tourism, and also mega-event economy. Venues of various scale within the KTSP will provide modern and multi-purpose sports and recreation facilities. According to our observations, local and overseas event promotion agencies have a strong interest in hosting large-scale events at the KTSP. The operator, the Kai Tak Sports Park Limited, being the operator, has so far made contact with over 200 local and international sports and non-sports events' promotion bodies, organisations and agencies, amongst which many of them have decided or planned to rent the different facilities at the KTSP for sports and entertainment activities. The operator is actively engaging relevant organisations and agencies for commercial negotiations. We expect that a series of large-scale sports and entertainment events will be staged at the KTSP. Further information will be announced by event organisers.

The KTSP will organise an opening event in the first quarter of this year. We look forward to the participation of numerous local celebrities from the sports and entertainment sectors to bring about wonderful performances to the audience and showcase the KTSP to the world. We will continue to work closely with the operator to prepare for the commissioning of the KTSP and making best use of its facilities. Thank you.