

Tourism Update 2022

Q&A Session

- 1. The HKTb recently estimated visitor arrivals of 9.6 billion for 2022. How did you come up with this number, and where do you expect the visitors to come from?**

We came up with the estimate when we formulated our work plan in late 2021 before the fifth wave of the pandemic. The fifth wave changed the environment, so we need to revise this number.

- 2. The new post-pandemic era is all about change. How will the rebranding be adjusted when travel restrictions are eased?**

We started the exercise quite a while ago. We decided to review the whole branding and positioning of Hong Kong not only because of the pandemic, but also because travellers' perceptions of Hong Kong had changed.

I also shared some of the findings that we found interesting that tell us about expected post-pandemic travel patterns and consumer behaviour. We are taking all these findings into account. The branding is not just a simple advertising brand campaign, but a whole range of work that guides the HKTb and the Government on how to develop our tourism-related products, offerings, infrastructure, digital transformation, and so forth, to prepare for when travel resumes.

- 3. Which countries will be our feeder markets when the border reopens (besides Mainland China)? Which markets are your priority? How are you going to promote Hong Kong in these markets, apart from the digital platform?**

Other than the Mainland, we always have a large number of visitors from Asian markets, but also a large number from long-haul markets. When travel begins to open, it's natural and supported by our research that the bulk of our visitors will come from short-haul markets because they are more at ease travelling for shorter distances so that they can get back to their country of origin more easily, and it's also less expensive. We are quite certain that markets within a three- to four-hour flight will be our key source markets. As to which markets we will focus on, we will start promotion in any market in which there is strong interest in visiting Hong Kong and where the airlift capacity is available. The key is to have flights to Hong Kong. We will be ready to promote Hong Kong in all such markets.

- 4. The Hong Kong Sevens is a very popular event among international tourists. What changes do you envisage for this event? What are your marketing plans?**

We have been in discussion with the organiser about help in any forms we can offer to support the return of the Hong Kong Sevens. In fact, we are looking at not just the Sevens but also other international events, such as Art Basel. We are able to support them with more promotions. The point is not just to attract tourists to come back to Hong Kong, but also to bring back these iconic events to showcase to the world that Hong Kong is back to normal.

- 5. How can we get back our MICE business?**

HK has been a key MICE centre for a long time because of our location and our air connectivity, as well as the ease of bringing samples, models and goods in and out of Hong Kong. These factors

are very attractive to event organisers when deciding to stage their events in HK. Also, HK is on the doorstep of the GBA and thus has huge potential for added-value visits when the main event is over. HK has all the ingredients for success and attractiveness. We've always maintained dialogue with regional and international organisers. We know they are enthusiastic about continuing to host events in HK, with our solid infrastructure and support, and Hong Kong is second to none when it comes to the speed and flexibility in creating these events. We continue to go to events and fairs to promote and market HK, and we are very certain that they will come back to HK.

6. How can travel agents and other trade partners participate in the HKTb's campaign? Will there be a platform to link partners with the HKTb? Or will there be only a select few?

We have communicated with the trade through different trade associations, and know that our Spend-to-Redeem programmes are very popular with our trade partners. When we first launched them, about 100 travel agents participated, but in this latest round, we have more than 300 participating travel agents. It is clear that when more of our trade partners get a better understanding of our works, they will be willing to join us. As for the platforms, we continue to talk to different trade bodies through PartnerNet, and we keep the platforms open to inform the trade about our various initiatives. It is important that everyone voices their concerns, suggestions and ideas. We want to know what you think.

7. How will you promote HK in source markets, and what are your plans together with the trade?

We have initiatives to cooperate with the trade, as well as various subsidies to allow them to promote HK with us in source markets. In the past two years, promotions outside HK were suspended because of the pandemic. When travel resumes, these schemes will be relaunched to help the trade promote Hong Kong in source markets. Although our trade partners cannot visit the markets now, our WWO continues our work in marketing HK as an attractive tourism destination with abundant tourism resources.

I mentioned in my presentation that we have a new digital platform, which will be launched in our upcoming HKSAR 25th Anniversary celebrations offer giveaway for the HK public. The digital platform can be used for promotions in source markets in partnership with our trade partners to connect with the overseas trade and promote our business to travellers in source markets. We will continue to study what these digital platforms can do for us. We understand SMEs do not have the resources to invest in digital experiences, so we will provide this platform for SMEs. The platform not only exposes business to consumers, but also helps our trade partners gain access to these channels and consumers.

8. Will you do more research on HK's tourism brand and prioritizing the markets?

The current brand has served us well but it's time for us to rebrand to communicate the new offerings and diverse experiences to consumers and take HK into the new era. All target markets have potential visitors. We are not selective. We will target everyone who is interested in visiting HK, and this includes focusing on MICE tourism. Now there are what we call "bleisure visitors" – that is, visitors who combine business with leisure and stay behind after completing their business to enjoy what HK has to offer – the Harbour, countryside, and so on. We will continue to study different ways of branding HK tourism.

Our rebranding exercise has revealed some enduring trends and visitors' driving factors to come to HK. We'll organise another opportunity to share our findings with the trade more clearly so that you can get a better understanding of the insights from our research. It's quite clear that there is a lot our trade can do together to upgrade our knowledge in developing arts and cultural tourism, new infrastructure and new content coming up. We have to keep gearing ourselves up on how to

repackage, promote and introduce these Hong Kong advantages to our visitors. Another trend is immersive, in-depth tours. Our trade partners need to think about how to design products that provide visitors with options that allow them to go deep into HK. The rebranding is not just about tourism, but about HK as a city, in general, including our role in the GBA. It's not just about rolling out a brand campaign; it's actually much bigger than that.

As for prioritising markets, of course, we have to look geographically in the initial stage, at least for a while. Leisure travellers, in particular, will come from the same region. We are in a good position for visitors from ASEAN countries, which luckily are also one of the biggest markets in the world, so we will get prepared for these markets.

9. When do you expect the border to be open to tourists?

We hope it will be as soon as possible. The Government already lifted the travel ban for non-residents on 1 May and aircraft movements. All relaxations must be done in the context of public health and safety for both the HK population and tourists. So it depends greatly on the global pandemic developments and related policies. We are in constant dialogue with the government and source markets to be sure we are ready to act quickly when the border reopens.