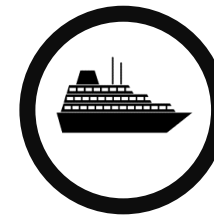
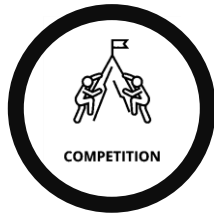


# SOUTHEAST ASIA



1. SEA markets pre-Covid made up almost 35% of our international visitor arrivals. As of 2022, recovery has been steady and encouraging.
2. Air capacity across SEA markets have returned from 67% (ID) to 88% (VN) against pre-pandemic levels.
3. Watch outs:
  - fierce competition from markets re-opening in North Asia.
  - high ground costs in Singapore.
  - ground-handlers and tour operators should offer differentiated and unique products for both the repeat and first time visitor segments from SEA.
  - cruise with pre or post land stays are becoming more popular with incentive groups.



If we look at a month-on-month basis from August 2022 to Nov 2022 (non-peak) **air ticket prices for our top source markets in SEA have largely moderated downward.**

Indonesia which saw one of the steepest increases in air fares to SG in June/Jul/August 2022 is showing signs of easing with more capacity being added progressively.

Even as Singapore remains an attractive leisure and MICE destination, competition from **North Asia, particularly South Korea and Japan** is intense since late 2022.

Air ticket prices between SEA source markets and Singapore continue to be cheaper than to South Korea for the period Jan 2022 to Jan 2023 but at narrowing gap. For example, average cost of air ticket from Malaysia to South Korea in Jan 2023 is now only 2.83 times more expensive than the average cost of air fare from Malaysia to Singapore.

Consistent feedback across SEA markets is **that cost of land packages** in Singapore have increased, especially hotel rates. There may be little room to intervene in market forces, ground handlers can show value by offerings refreshed packages with unique and novel experiences.

MICE on Cruise (incentive specifically) is on the rise for markets like Indonesia. SG stakeholders must offer good, **differentiated experiences** so that we remain competitive.



As key source markets for Singapore, STB regional offices in Southeast Asia will ramp up **tactical / conversion-led initiatives** with various travel and non-travel trade partners as well as embark on **creative marketing campaigns** to encourage deeper exploration of our neighborhoods, attractions, F&B and retail scene to **drive longer stays and higher spend in Singapore.**

STB SEA Regional Offices seek your continued support for media, consumer and travel trade engagement initiatives.

Across SEA we will be deprioritizing B2B and B2C travel events in established cities but will focus on trade engagement in tier 2 cities to build pipeline for future growth.

Should you need assistance to connect with travel trade in any of the markets of interest, the regional offices will be happy to facilitate the necessary link-ups.

# INDONESIA market insights



Indonesia's economic growth remains resilient with an optimistic outlook.

Bank of Indonesia projects a solid national economic growth in 2023 in the 4.5 to 5.3% range, before accelerating to 4.7 to 5.5% in 2024. This optimism is underpinned by strong private consumption, investment and positive export performance against a backdrop of global economic moderation. Consumer Price Index (CPI) inflation is projected to track a downward trend and return to earlier 2023 and 2024 targets with core inflation also expected to return to target earlier in 2H 2023. However, the continued strong SGD against the IDR means travel to Singapore will be more "costly" for Indonesians.



Even as ID-SG air connectivity gets progressively restored and capacity increases, Indonesians' also have more travel options now. North Asia continues to be a hot favorite as seen from robust bookings at recent travel fairs. The opportunity for Singapore may come from capturing first-time visitors from Tier 2 markets of Indonesia as airlines reinstates direct connections and new airlines commencing direct routes from cities in Indonesia to Singapore. Currently, there are 10 cities in Indonesia with direct flight connections to Singapore (compared to 13 pre-Covid).



Indonesia's Presidential Elections will take place in Feb 2024 and campaigning will heat up from Q3 2023.

As this election is for a fresh first term Presidency, it is expected to be hotly contested. We foresee a slight dip in VA from Indonesia during the elections period as Indonesians will typically stay to vote. STB Indonesia will work with key travel trade and stakeholders to drive VA and TR post elections.



Monetary regulators on both sides have signaled allowing cross border payments in 2023 but exact dates have yet to be announced. RO sees this as a huge potential to influence pre and post arrival spend that will feed our broader strategies of increasing Tourism Receipts from Indonesia.

# Indonesia – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Partnership	Plans with partner	What's required
Conglomerate / Group Level	A Request for Proposal was called in Indonesia for Group level proposals for marketing and tactical / conversion-driven initiatives for destination Singapore. Awarded partner by mid-April will deliver minimally 3 campaigns for Singapore with clear marketing and sales targets.	There will be opportunities for product/experience and/or promotion/deals to be included in these campaigns and in the content curation.
Traveloka	The SEA regional partnership will be extended for another year from April 2023 and will include tactical campaigns to drive visits to and spend in Singapore.	There will be opportunities for product/experience and/or promotion/deals to be included in these campaigns and in the content curation. A Singapore homepage with all deals (by non-MoU parties) is intended to be populated to drive greater discoverability of all promotions on Singapore on Traveloka app.
Sustained KOL engagement for content around deeper neighbourhood exploration, food and retail scene	A year-long marketing initiative targeted at Indonesians who are familiar with Singapore and think they know all there is to know about Singapore. Objective is to impact longer stay through exploration and induce spend.	Stakeholders with unique and non-mainstream products/experiences that are keen to be featured can get in touch. May require hosting of KOLs and crew for filming beginning June.

# Indonesia – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Partnership	Plans with partner	What's required
Partnership with OCBC NISP	Partnership focusing on driving spend on retail and dining in Singapore, and to offer exclusive perks for OCBC NISP's premium segment cardholders.	Interested partners who have curated unique experiences targeting the premium segment and/or would like to showcase your offerings to Indonesian travellers can reach out to STB for inclusion as one of the merchants/ participating stakeholders.
Partnership with ASTINDO, (outbound Travel Agents Association)	STB's efforts in tapping into the growth of Tier 2 cities in Indonesia through and driving incremental VA and spend to Singapore through the Association's network in Tier 2 cities.	As part of the MOU, STB will also support FAM trips for key agents in Tier 2 cities and include a networking session for the agents with Singapore partners. Interested partners can reach out to STB for more details. Priority will be given to stakeholders who host the experiences during the FAMs.
Partnership with Petra University Surabaya	A partnership inked with Petra University to have committed student groups of around 1,000 pax yearly from Surabaya to Singapore. Petra University and affiliates (Primary and Junior High) has about 9,000 students and will be including an overseas trip to Singapore for their students as part of their curriculum.	Singapore brands/ Home-grown businesses who are able to conduct tours and sharing of success stories for these student groups. Back of house and educational experiences providers can also reach out to STB for inclusion as suggested activities for the student groups.

# Malaysia market insights



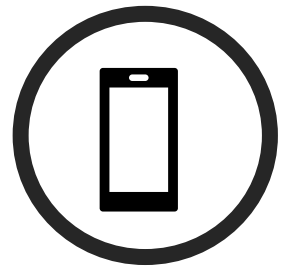
Malaysia's economic growth will slow to about 5% from 2023, down from 8.7% in 2022, due to weaker exports and slowing global economy. Inflation is expected at about 3%, and depreciating ringgit will increase cost of living. Consumer spending is expected to slow to about 5% y-o-y growth, as the country reverts to a pre-pandemic norm.



Travel demand is strong, with outbound travel expenditure in 2022 at about RM 29.6 billion, more than half of the RM 51.3 billion recorded pre-pandemic. Malaysians are travelling out despite increased costs, buoyed by increased air connectivity. In-market trade partners report strong bookings for Japan, Korea, and Australia. Many outbound consumers come not just from KL/Selangor, but also from growing regions with wealth such as Sabah and Sarawak.



Malaysia continues to see its FIT traveler share grow, as they prefer more solo travel/small group travel over packages from travel agents, due to concerns around the pandemic. Booking window is about 1-3 weeks.



Malaysia has seen an e-commerce boom since the pandemic – its e-commerce market is estimated at \$4 billion, and will continue to grow as the nation's average age is 29 years, internet penetration is high and about 44% of population is < 24 years old. Cross-border transactions make up 4 out of 10 in Malaysia and the top e-commerce merchant segment is travel at 39%. Most preferred mode of transaction is mobile device and in-app.

*Source: JP Morgan*

# Malaysia – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Partnership	Plans with partner	What's required
AirAsia	<p>Our SEA regional partnership will continue to run in 2023, and include tactical campaigns to drive visits to and spend in Singapore, which require value-adds for consumers</p> <p>We will also explore how to further leverage the AirAsia super app and its lifestyle offerings to promote Singapore.</p>	<p>Stakeholders to contribute value-adds in exchange for additional marketing through STB and AA's in-market campaigns and channels.</p> <p>These value-adds may include attraction tickets, hotel stay promotions etc. which are popular and effective in driving conversions.</p>
Malaysia Airlines/Firefly	<p>Our partnership with MH/Firefly hopes to achieve the following:</p> <ol style="list-style-type: none"> <li>1. Seat sales/Tactical campaigns to drive more bookings to SIN</li> <li>2. Increase length of stay and travel group size for both leisure and business travellers</li> <li>3. Drive awareness and attendance of Singapore's calendar of leisure and MICE events</li> </ol>	<p>Stakeholders to contribute value-adds in exchange for additional marketing through STB and MH's in-market campaigns and channels.</p> <p>In addition to attraction tickets and hotel stays, event tickets and promotions will also be useful.</p>
E-wallet service provider (TBC)	<p>We will work with a e-wallet service provider to:</p> <ol style="list-style-type: none"> <li>1. Drive more pre-arrival and post-arrival spend in Singapore</li> <li>2. Market Singapore's offerings through media buys and using their owned channels (in-app notifications, EDMs, banners)</li> </ol>	<p>Stakeholders to consider onboarding their products and services on payment gateway, which has expressed.</p> <p>STB can help to facilitate link-up with our in-market partner.</p>

# Thailand market insights



Thailand's economic growth will continue at about 4-5% in 2023, up slightly from 2022, thanks to a strong economic surge and private consumption amidst border reopening, but price pressures are expected to remain elevated and inflation projected to be at about 2-3%, down from 6% last year. Private consumption grew in Dec 2022, buoyed by economic/tourism recovery in Thailand.



Thailand will focus on driving inbound tourism including domestic travel as a key engine for economic growth, especially targeting Chinese market. The APEC summit in Bangkok also gave a boost to the return of MICE events/travel to Thailand, which saw about 12million visitors in 2022.

Players say that the outbound market still has potential despite rising costs, as pent-up demand continues. SG faces strong competition from North Asia and Europe. Air connectivity from Thailand has improved but the aviation, events and tourism sectors are plagued by a persistent manpower crunch.



Thailand will have its general election by May 2023, and the political uncertainty may temporarily dampen outbound travel demand.



Live stream e-commerce is picking up fast as a consumer trend in Thailand, with 57% of audiences watching a video at least once a week – many say they are drawn by the discounts, interactivity, entertainment and convenience of it and will purchase online. While consumer products e.g. beauty and cosmetics are highly popular, this could be a new space for travel products.



# Thailand – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Item	Plans with partner	What's required
Business Development Manager for STB Thailand	STB has appointed a business development manager to engage Thai travel trade and stakeholders closely, especially to drive MICE movements/groups to Singapore	Stakeholders who are keen to network with Thai trade or leverage in-market platforms for trade engagement can also reach out to STB Thailand for more information.  Contacts: <a href="mailto:lee_jian_xuan@stb.gov.sg">lee_jian_xuan@stb.gov.sg</a> <a href="mailto:nicholas_lim@stb.gov.sg">nicholas_lim@stb.gov.sg</a>
HungryHub (F&B reservations and booking app that is popular in Thailand)	STB will launch campaigns to encourage greater exploration of Singapore's F&B options through pre-booking promotions and marketing	F&B merchants to consider being listed on HungryHub's platform and participate in their marketing activities targeting at their Thai user base.
Trade fams	STB hopes to host at least 1 trade fam for TH in 2H 2023	Site inspection support, hosting of agents, special entry rates
Media/KOL fams	STB hopes to send our Malaysian & Thai media and KOLs throughout 2023 to Singapore  As their travel schedules may vary, we will reach out to partners as far as possible in advance	Dependent on media/KOLs, some examples may include:  <ul style="list-style-type: none"> <li>- Meet &amp; greet</li> <li>- Special entry rates</li> <li>- Facilitating of filming permissions</li> </ul>

# VIETNAM market insights



Vietnam's economic growth is projected to ease following a solid GDP of 8.02% for 2022. For 2023, Standard Chartered Bank forecasts Vietnam's economic growth at 7.2% and 6.7% in 2024. The country has set a GDP growth target of 6.5% for this year. While the forecast is positive, the outlook may be influenced by the country's progress in implementing the national socio-economic recovery and development program, introduction of more financial and monetary policies to support economic recovery, diversification of export markets.



Air connectivity from Vietnam is restored to 88% capacity and load factor continues to remain high of more than 75%. In terms of travelers demand, KKday forecasts over 20 million trips will be taken both inbound and outbound from Vietnam by the end of 2023. Outbound destinations like Thailand, Taiwan, South Korea and Japan are key competitors to Singapore. For South Korea, Japan and Taiwan, they are popular also due to seasons which is POV driver for Vietnamese e.g. Cherry Blossom/ Sakura season in end Mar/ Apr, Autumn season in end Sep-early Nov and Skiing in Winter in Dec/ Jan.



Vietnam is a unitary single-party state, and its political and security environment is largely stable. The current government was elected in 2021 and will remain in office until 2026.



There are 77.93 million social media users in Vietnam as of Jan 2023, representing 79.1% of the total population and internet users increased by 5.3 million (+7.3 percent) between 2022 and 2023. According to statistics from the Vietnam Tourism Association, search for tourism information on the internet in Vietnam in the last five years has increased more than 30-fold. Each month, there are more than five million searches in Vietnamese about tourism products including inbound and outbound tours, hotel reservations, and other types of travel.

# Vietnam – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Projects	Plans with partners	What's required
Partnership with Airlines, Travel Agents, OTAs	Year-long partnership with key partners to drive conversion and extend length of stay through joint marketing efforts. <i>Partners includes: Singapore Airlines, BenThanh Tourist, Saigon Tourist, Vietravel, Flamingo Red Tours, Vietrantour, Klook, Trip.com, KetnoiSingapore</i>	Singapore stakeholders can indicate interest to be part of the experiences and we will facilitate the link up.
Fams	STB hopes to host at least 1 trade fam and 1 corporate fam in 2H 2023	Site inspection support, hosting, special entry rates
PR and Marketing	STB hopes to host key media and KOLs for fams throughout 2023 to engage our audience and to sustain presence.  As travel schedules may vary, we will reach out to partners as far as possible in advance	Dependent on media/KOLs, some examples may include: <ul style="list-style-type: none"> <li>- Meet &amp; greet</li> <li>- Special entry rates</li> <li>- Facilitating of unique experiences and/ or filming permissions</li> </ul>

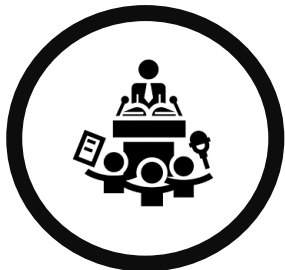
# Philippines market insights



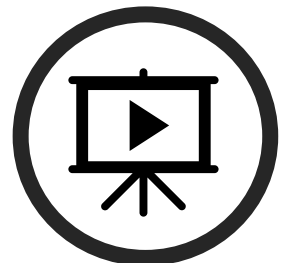
The Philippine economy grew by 7.6% in 2022. The World Bank expects Philippine GDP growth to be 5.7% for 2023-2025. However, inflation in the Philippines was at 8.7% in January 2023 and this was an all time high since 2008. With the inflation situation and the anticipation of a global recession, economists expect that Philippine consumer spending may tighten in 2023.



Air connectivity between Philippines and Singapore is more than 85% recovered. Airlines are optimistic and recently in March 2023, Cebu Pacific announced more flights from Clark and Davao. However, SG faces strong competition from other destinations.



The Philippine government declared more long weekends for 2023 to encourage more domestic tourism. This may also have a positive effect for short haul destinations such as Singapore. Currently, there are 6 long weekends in 2H2023. In addition, the summer school holidays are 8 Jul – 21 Aug 2023.



Filipinos are consummate vlog watchers, ranking first globally in terms of vlog consumption with 55.6% of Philippine internet users aged 16 to 64 watching vlogs daily. This is compared to the global benchmark at 25.5%.

Filipinos are also the top-ranking video viewers when it comes to using online videos as a source of learning, with 64% watching how-to videos, tutorials, or educational videos weekly. This is compared to the global benchmark at 43.4%.

# Philippines – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Projects	Plans with partners	What's required
Bank travel sale	STB will hold a SG travel sale with a bank in July/August 2023.	Hotels, attractions, experiences etc are invited to participate to drive more sales. The bank would require a discount/promotion to make their sale attractive overall.
MICE groups	STB will continue working with SG agents to place bids for Philippine MICE groups to visit SG.	SG agents who are giving quotations for Philippine MICE groups are invited to work together with STB to offer STB incentive schemes to make the bid more attractive.
Business development in “Greater Manila” area	Leisure travellers from the areas outside of Manila CBD do book from travel agents, and we have heard positive feedback from SG partners who have conducted sales calls in these areas. (e.g. Quezon City, Rizal)	SG establishments conducting sales calls in PH may wish to consider visiting the “Greater Manila” area. STB can introduce you where needed.

## Philippines – Key Work Plans & collaboration opportunities for Singapore-based stakeholders

Projects	Plans with partners	What's required
Cruise	Filipino travellers are relatively new to fly-cruise. STB will be working with cruise lines to increase consumer awareness of fly-cruise for SG, and also to encourage more PH agents to sell cruise from SG.	STB will contact the relevant cruise lines and hope that we can work together to promote fly-cruise for Filipino travellers.
PR and Marketing	STB will continue to work with Filipino celebrities and KOLs to create vlogs, videos, and TV content to promote SG.	STB will contact the relevant establishments for these projects and hope that establishments can render us their support in facilitating the groups.