



CAPTURING QUALITY GROWTH AMIDST UNCERTAINTY

China Breakout Session
Tourism Industry Conference 2019



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2019 Singapore Tourism – China Market Overview

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Enhancing the experience of Chinese Visitors in Singapore

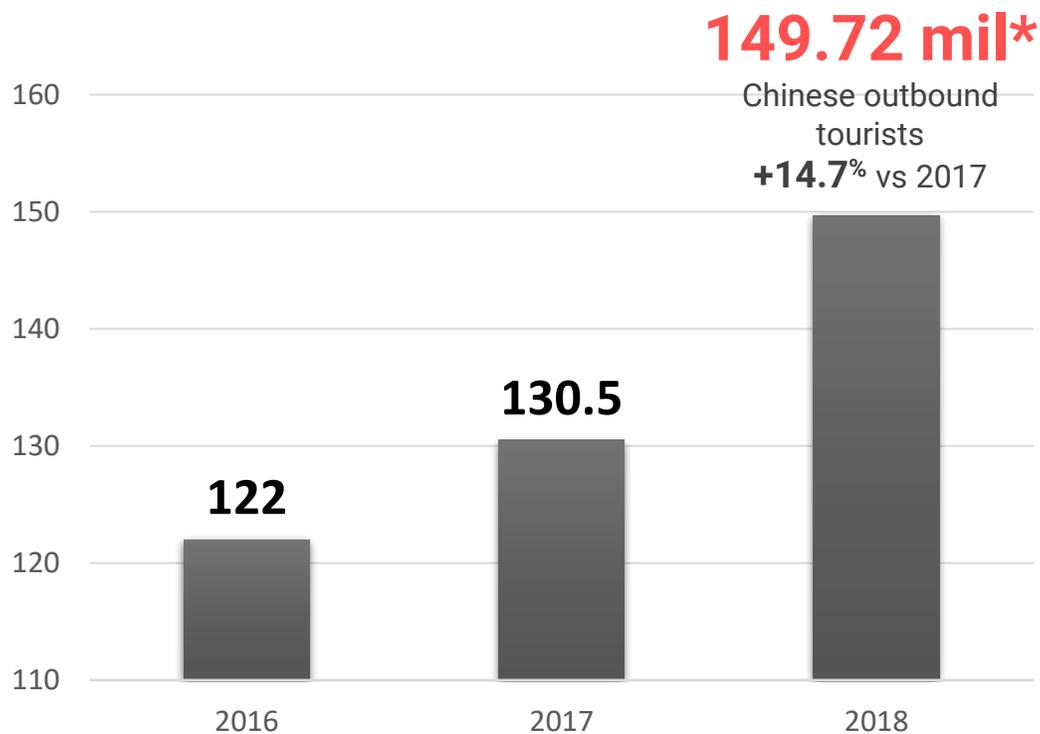
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Panel Discussion: China Post-90s – New Generation, New Needs and Expectations



China's overall outbound VA growth is still strong, but shows signs of slowing down since 2H 2018

2016 – 2018 Overall Chinese Outbound Numbers (mil)



Spend Per Trip globally dropped 14%*

in the first half of 2018 likely due to due to more Chinese being able to travel and more frequent trips

Slowdown in 2H 2018 outbound VA growth*

with YOY 10% in Q3 and 7% in Q4 as compared to the growth of 17% in Q1 and 16% in Q2

Domestic tourism revenue increased but at a slower pace

of 8.2%, in comparison to 2017's 12.6%. This is despite local governments' concerted push to promote domestic tourism with aggressive promotions and subsidies.

China's economy is growing at its slowest rate for 30 years

6.6% in 2018, the slowest growth since 1990. It slowed from 6.9% in 2017*

Outbound travel forecasts for Lunar New Year missed

Actual 2019 Lunar New Year Holiday trips increased 12.48% to 6.31 million, instead of 7 million per original forecast*

Total vehicle sales fell for an eighth straight month

Vehicle sales in the first two months of the year dropped 15% from the same period last year. The auto sector is a major part of the Chinese economy and is watched as a barometer on how much consumers are willing to spend.

This slowdown is reflected in Singapore's VA growth although brand strength and consideration to visit remain high



2018 Overview



3.4 mil

visitors from China
+6% vs 2017 in VA



S\$3.2 bil

+3% vs YTD
3Q2017 in TR



957k

Mono-SIN visitors
+10% vs 2017

Singapore is

ranked 4th

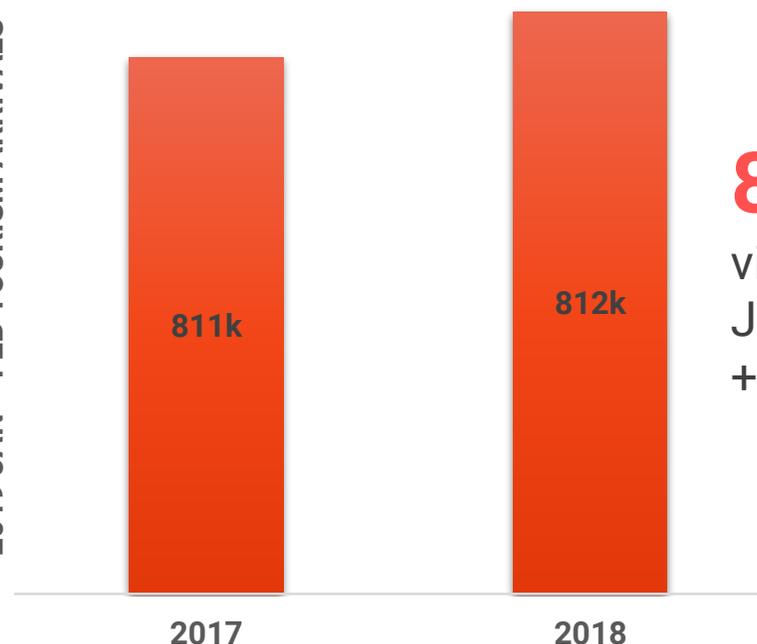
among travel destinations considered by the Chinese travellers in 2018 and 2019 Lunar New Year Holidays*

3rd in the desire to visit

one destination over others as found in STB's Brand Health Study conducted by Ipsos

YTD Statistics

2019 JAN - FEB TOURISM ARRIVALS



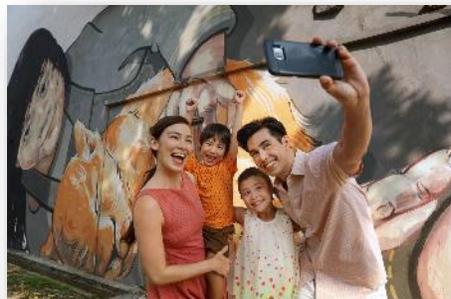
812,311

visitors from China
Jan - Feb
+0.12% vs 2018



Destination Singapore can capture quality growth if we stay focused on our customer segments

Families with Young Kids



Willingness to spend to ensure children have head start

with more families willing to pay more for education and related services such as tourism*

Family travel becoming increasingly popular

with growth rates of 23% in the number of family trips and 28% in the consumption level*. Increasingly not just FITs, but semi-FITs and customised travel

Staying closer to home

due to trade tensions and slowing economy

Early Careers/ Post-90s



Early Careers/ Post-90s make up 31% of the outbound market*

larger than any other age groups

Spends 35%* of their income

on international travel as compared to 28% of other age groups

Shift away from group

to FIT travel, as well as the diversification of activities from just shopping to deeper experiences

Incentive Travel



91%* of all corporate incentive buyers

indicated a rise in Chinese incentive travel market over the next 1 to 2 years.

72%* of all budgets are between

SGD \$2,000 and SGD \$6,000 including airfares per person

Culture, scenery, shopping, food experiences and entertainment

are what planners look out for in a destination

Chinese visitors are evolving rapidly and expectations rising; We need to collectively work harder to delight them



Convenience at their fingertips



Expectations of one-stop consumer journey from offline to online or vice versa e.g. Shanghai Starbucks Roastery and Hema in Tier 1 and 2 cities

Localisation expectations



In a market research conducted by Ipsos, Chinese travellers expects localisation of language services as well as availability of mobile payment facilities

Seek to share experiences across digital media



this is prevalent for the Chinese tourists as shareable memories that can be exchanged in the form of selfies on social networks (e.g. 打卡). Resulting in burst in popularity for homages to famous sightseeing spots and bookings for unique experiences recommended on social media

Shift away from group to FIT



due to advances in technology and better accessibility to a variety of travel digital resources. Chinese travellers are becoming more tech-savvy and want to explore the unknown

72%* of Chinese travellers are influenced by digital media



such as travel websites, social media, online travel agencies and social trip planning platforms

We intensified our efforts for Families with Young Kids through deeper and different ways of engagement

Tuniu: “我家在新加坡的一天”

used a HTML5 to drive destination awareness of Singapore’s offerings and created 4 tribe-themed tours targeting the Families with Young Kids segment.



HTML5 activation

where participants build their Singapore family photo using iconic Singapore attractions/landmarks and share on their personal social media accounts.



Over **100 million total impressions** and **1 million clicks**

on Tuniu’s owned platforms during the campaign period.

Mafengwo: “我要的暑假作业”

focused on building Singapore as the top family destination in the minds of families with children. The campaign served to speak to MFW’s audiences at every stage of the consumer journey.



Campaign resulted in over **147 million total impressions** and **1 million clicks**.

We brought Singapore to the consumers through Singapore-themed stores...



Supported Shenzhen Century Holiday to organise a series of consumer engagement workshops at the agent's flagship Singapore Experience Shop.



Different from the traditional 'experience shops', the Singapore Experience Shop focuses on promoting Singapore-related experiences with product sales playing a complementary function.



Through consumer engagements, Century Holiday aims to drive regular visitorship from consumers to the Experience Shop. Direct point-of-sale channel at the shop will further encourage conversion for our target segments to travel to Singapore.

The Singapore "takeover"

Partnering Beijing Caissa, Singapore-related experiences were brought to the consumers through 5 Singapore themed stores.



Consumers were not only treated to interactive activities such as painting and flower arrangement activities but also destination Singapore sharing sessions conducted by Caissa and STB.



And to target the post-90s, brought Singapore nightlife first to Shanghai...



Shanghai: STB launched the Socialiser tribe showcasing Singapore's versatility as a destination not only for families but also Socialisers. Brand personalities, Nathan Hartono and DJ Koflow led the line up of Singapore talents which included cocktail mixologists from Bitters & Love and Nutmeg & Clove in showcasing their talents to the attendees.



The event generated an estimated of **SGD \$3.2 mil** ad value and approximately **68 mil** impressions.

... Then to Guangzhou

Guangzhou: Collaborating with Singapore's Bitters & Love, we took over Happy Monk, one of Guangzhou's most popular bars to launch the Socialiser tribe with a party, driving destination awareness.



Invited guests were treated to a performance by Singaporean singer Joanna Dong and cocktails from Bitters & Love and Nutmeg & Clove.

The event generated an estimated of **SGD \$1 mil** ad value and approximately **92 mil impressions**.

And rounded off with a final bang in Chengdu leveraging non-travel brand Charles & Keith's fashion show



Chengdu: With the goal of influencing Early Careers to increase their consideration for travel to Singapore, STB partnered Charles & Keith in an event which featured a series of activations including a fashion runway show, cocktail party, interactive workshops and a 30-day exhibition.



The collaboration extended channels and touchpoints to new audiences, increased Singapore's cool factor and provided an integrated platform to strengthen ties with partners.

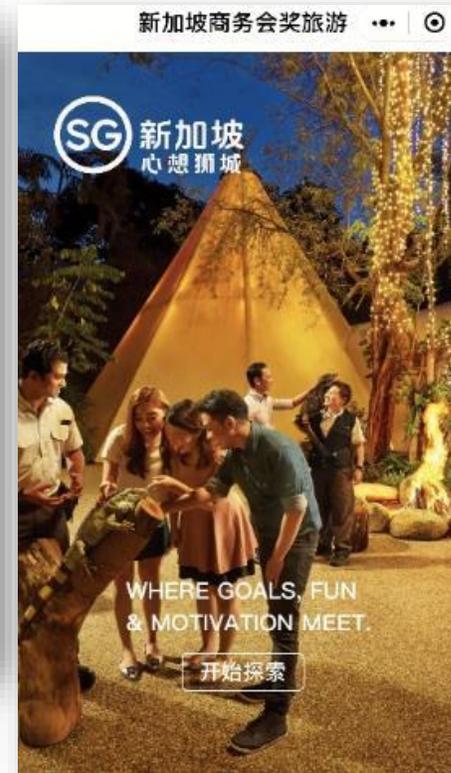
Event generated a total advertisement value of **SGD \$300k** and over **69 million impressions**.

We completed a successful 4th edition of MICE Conference and launched the first ever MICE WeChat mini-programme...



4th edition of the MICE Conference 2018

was organised from the 27 – 29 June in Guiyang, China. The objectives were to further cement recognition of the new brand “心想狮城”, as well as share the latest Singapore M&I product offerings and incentive schemes.



Over **70 MICE intermediaries** from Beijing, Shanghai, Guangzhou and Chengdu participated in the **3-day programme**. Singapore stakeholders representing **28 companies** across various tourism industries also participated in the conference.

And deepened engagement with corporates to remain top-of-mind among these decision makers

STB and CTS MICE Service jointly organised a **Singapore themed cooking class** with the objective to renew and deepen the understanding of Singapore's MICE offerings amongst key decision makers in corporate clients and CTS MICE sales team.



This also gave STB the opportunity to widen its MICE network to build potential leads and cultivate relationships. The event was attended by **17 MICE buyers**.

STB partnered MICE strategic travel agent partner GZL in organizing a **Sugar Painting 糖画** themed corporate networking event which brought together **24 MICE buyers**.



Through the event, STB expanded its corporate network and are exploring potential collaborations.



We continue to emphasize strongly on group travel through our trade partnerships...



Group Travel

Invested heavily in Tier 1 and 2 partnerships

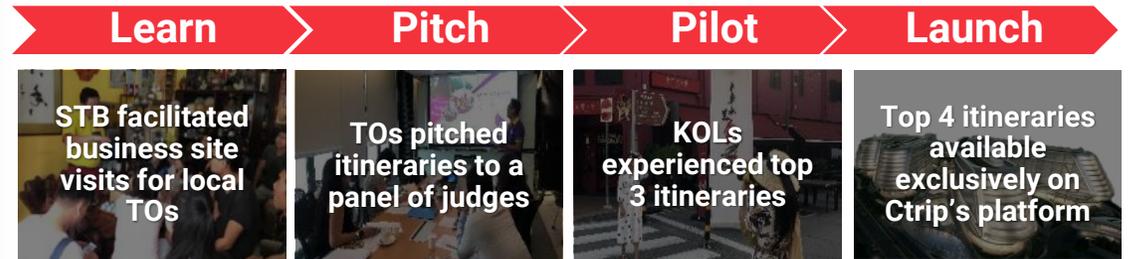
driving destination profiling and recall, industry and product development and market development for Tier 2 cities.



Activities including 6 roadshows, revamped online training and had a unique PK-format finale which received positive feedback.

Tour Design Challenge:

Meeting the demands of the evolving Chinese consumer, we are constantly trying to improve tour itineraries. Working with Ctrip, Singapore tour operators created fresh itineraries to address the needs of the Chinese market.



But at the same time, looked out for new partners and new tools to cater to new consumers

Other Types of Travel

Finding new partners and working with existing trade on new products



An online travel agent platform without owning any products. Fliggy is owned by Alibaba and is one of the leading OTPs for millennials.



Established in Beijing 2010. Unique Way is committed in providing customers with reassuring, unconstrained and cost-effective overseas self-guided travelling solutions.



China's leading and largest entertainment ticketing platform.

Tourism Information & Services Hub (TIH)

digital resource platform for tourism business to connect and access information and software services on Singapore tourism offerings.

- ACCESS**
Gain up-to-date information on tourism products and experiences, repository of images & videos and services
- CONTRIBUTE**
Multiple reach of your content to a wider audience by contributing your product & offerings
- CONNECT & COLLABORATE**
Publish your business listing and enable collaborations





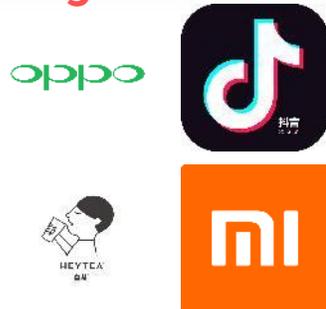
We will continue these efforts in 2019 to better appeal to and better reach the increasingly discerning Chinese consumer...

Deepening the Brand Story Through:

Wave 3 Brand Engagement:



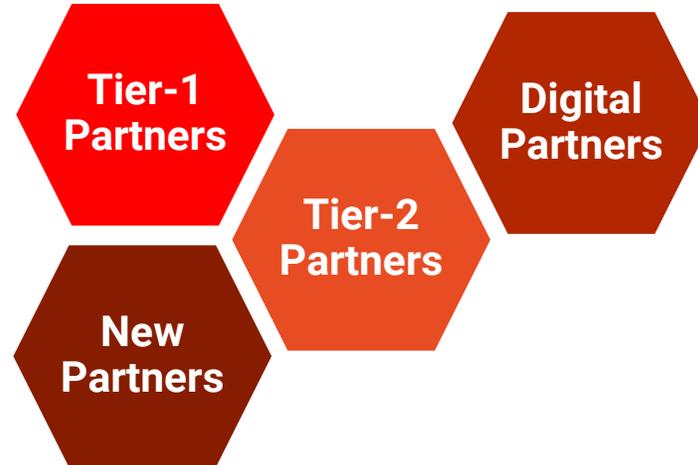
Co-branding:



Continued Partnerships With:

Traditional Trade and Newer Partners:

Pushing new products and reach customers in innovative ways



Continuing MICE Efforts:

MICE Conference in Singapore May 12 - 16

and intensifying engagements with Corporates



Together as Destination Singapore, how you could help us help you...



Product/Experience

What is your story/differentiating factor?



Share with us your unique proposition and we can help push on our owned channels

Channel/Language

How can you better cater to the Chinese visitor?



Populate TIH with your content and reach a wider audience

Understand the Chinese consumer by using their platforms/apps

Participating in STB Activities

Tier 2 Roadshows

Jinan, Ningbo and Xiamen, week of 21 - 25 October

Call for sponsorships

promoting you in China and together raise destination awareness

Greater partnership in-market

in turn building up relations in market, reach a larger audience and increase consumer loyalty through e.g. 体验店/themed experience shops or pop-ups with one of our China trade partners

END.

