Economic development

Research Office
Legislative Council Secretariat

Statistical Highlights

Tourism in Hong Kong

ISSH02/16-17

Figure 1 – Visitor arrivals to Hong Kong

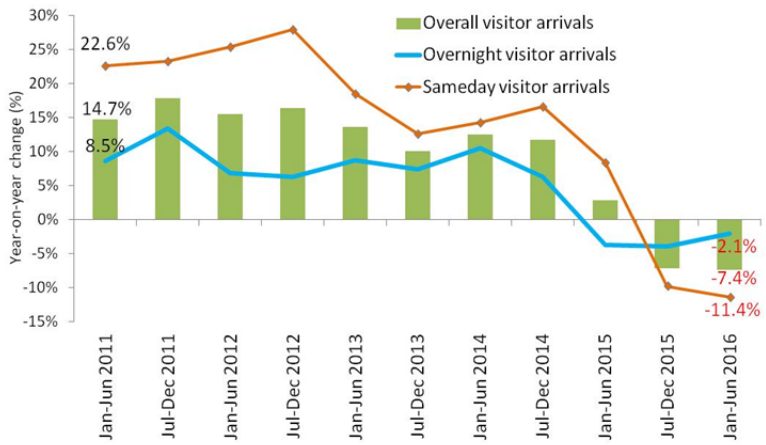
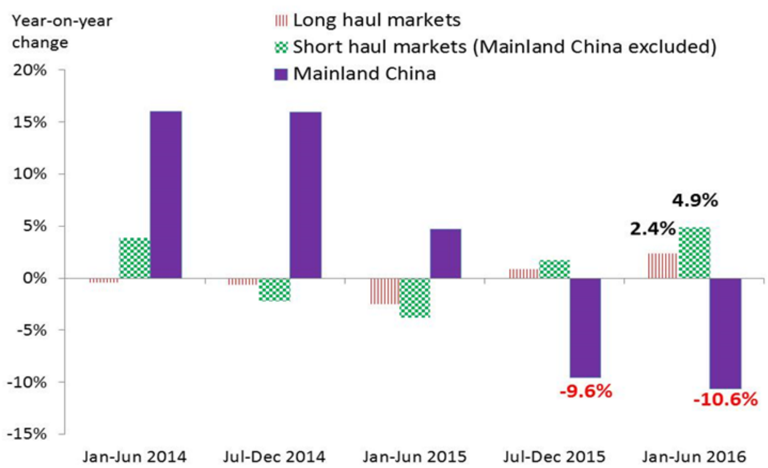


Figure 2 – Hotel occupancy rate and room rate

	Hotel occupancy rate	Average achieved hotel room rate	Year-on-year change
2011	89%	HK$1,356	16.4%
2012	89%	HK$1,489	9.8%
2013	89%	HK$1,447	-2.8%
2014	90%	HK$1,473	1.8%
2015	86%	HK$1,337	-9.2%
Jan-Aug 2016	85%	HK$1,234	-4.8%

Figure 3 – Visitor arrivals by markets



Highlights

- Tourism is one of the four pillar industries in Hong Kong, contributing about 5% of Gross Domestic Product and 7% of total employment in 2014. Yet inbound tourism slacked markedly during 2015 and posted its first annual decline since 2003.

- Amid reduced tourist arrivals, the average hotel room occupancy rate retreated from the peak of 90% in 2014 to 85% in January-August 2016 (**Figure 2**). Likewise, the average achieved hotel room rate declined from HK$1,473 to HK$1,234 over the same period. During 2015, overnight visitors stayed 3.3 nights on average, fallen slightly from 3.6 nights in 2011.

- The above lacklustre performance mirrored largely the reduced inflow of Mainland visitors, Hong Kong's largest visitor source market. As shown in **Figure 3**, visitor arrivals from the Mainland have dwindled remarkably since the second half of 2015. Visitors from the long haul and short haul markets, on the other hand, saw a modest rise.

Tourism in Hong Kong (cont'd)

Figure 4 – Popular destinations of Mainland visitors

Destination	Year-on-year change
Thailand	+71% (2015)
South Korea	+48.8% (Jan-Aug 2016)
Japan	+30.5% (Jan-Sep 2016)
Europe	+22.9% (2015)
The United States	+16% (2015)
Hong Kong	-5.5% (Jan-Aug 2016) *(overnight visitors from the Mainland)*

Figure 5 – Per capita spending of visitors

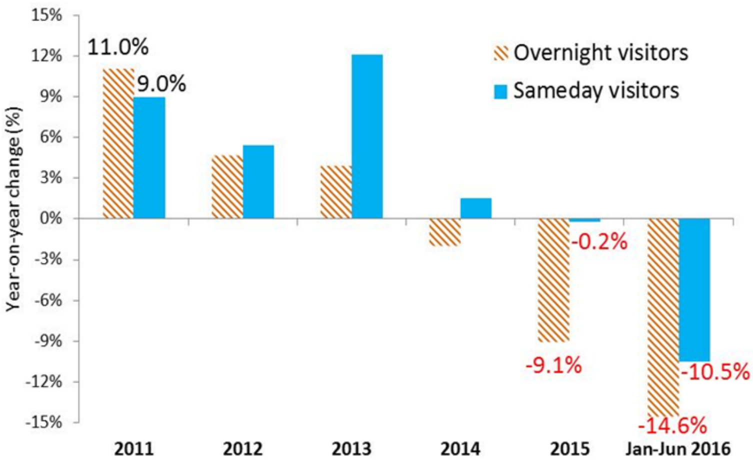


Figure 6 – Total visitor spending on shopping and meals

		2013	2014	2015	Jan-Jun 2016
		Year-on-year change			
Overnight visitors	Shopping	15.3%	6.9%	-17.4%	-23.2%
	Meals (outside hotels)	11.6%	7.3%	0.8%	-5.3%
Sameday visitors	Shopping	30.1%	17.3%	-3.2%	-22.9%
	Meals (outside hotels)	17.0%	29.1%	31.9%	-10.1%

Highlights

- In contrast, other places have attracted a significant number of Mainland visitors (**Figure 4**), due to their more appealing tourist attractions, favourable exchange rates and/or relaxed visa requirements.

- Similar to inbound tourism, per capita spending of visitors has also exhibited a declining trend (**Figure 5**). Worse still, the decline was more pronounced in recent months, with per capita spending by sameday and overnight visitors down by a double-digit rate in the first half of 2016.

- As a result of reduced inflow of visitors and lower per capita visitor spending, the total tourism expenditure on shopping by overnight and sameday visitors was both down sharply by about 23% in the first half of 2016 (**Figure 6**). Visitors' total spending on meals also declined during the same period albeit by a lesser extent of 5%-10%.

Data sources: Latest figures from the Hong Kong Tourism Board, China National Tourism Administration, Japan National Tourism Organization, Korea Tourism Organization, and Ministry of Tourism and Sports, Thailand.

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