

THE WINNING FORMULA

HONG KONG TOURISM BOARD ANNUAL REPORT 2012 / 13



BOARD MEMBERS AND MESSAGES

Board Members

As at October 2013



Dr Peter Lam (Chairman)

Chairman
Lai Sun Group
(note i)



Philip Yung, JP (Deputy Chairman)

Commissioner for Tourism
Commerce and Economic Development Bureau
The Government of the Hong Kong SAR



Florence Chan

Partner
Ernst & Young



Dr Michael Chan

Chairman
Café de Coral Holdings Limited



Shirley Chan, JP

Chief Executive Officer
YGM Trading Limited



T C Chan, BBS, JP

Senior Advisor
The Bank of East Asia Limited
(note ii)



Benjamin Chau

Deputy Executive Director
Hong Kong Trade Development Council



Chitty Cheung
 Director
 Corporate Affairs
 Cathay Pacific Airways Limited



Stanley Hui, JP
 Chief Executive Officer
 Hong Kong Airport Authority



Larry Kwok, BBS, JP
 Managing Partner
 Asia Strategy & Markets
 King & Wood Mallesons



Sir Wayne Leung
 Managing Director
 The Local Printing Press Limited



Lo Po-man
 Executive Director
 Regal Hotels International Holdings Limited



William Mackay
 Regional Vice-President &
 General Manager
 Four Seasons Hotel Hong Kong



Perry Mak
 Publisher & Group Managing Director
 Hong Kong Economic Times



Winnie Ng
 Director
 The Kowloon Motor Bus Co (1933)
 Limited



Shi Nan-sun
Executive Director
Film Workshop Company Limited
(note ii)



The Hon Sin Chung-kai, SBS, JP
Legislative Councillor



Michael Wu, MH, JP
Chairman
Travel Industry Council of Hong Kong



Linda Yuen
Managing Director
Sightseers (HK) Limited



Yip Wing-si, BBS, JP
Music Director
Hong Kong Sinfonietta
(note iii)
(note v)

Notes:

- (i) Dr Peter Lam succeeded The Hon James Tien as the Chairman of the Board on 1 April 2013.
- (ii) Appointment effective from 1 April 2013.
- (iii) Appointment effective from 1 November 2012.
- (iv) The following members also served the Board during the year ended 31 March 2013: Mr Ko Chi-sum and Dr Patrick Fung retired on 31 October 2012 and 31 March 2013 respectively.
- (v) Photo courtesy: Yvonne Chan



Chairman's Message

I am honoured to share our results with you for the first time as Chairman of the Hong Kong Tourism Board (HKTB), and delighted to tell you they are very encouraging, with year-on-year visitor arrivals up 16% and tourism receipts up 14.6%.

While our performance has been outstanding, I saw enough ups and downs in our industry in my six years as an HKTB Board Member prior to my chairmanship to know that one of the toughest tasks is to maintain continuous upward momentum.

Our successes of recent years have inevitably brought with them even greater responsibility. Tourism today is a major pillar of our city's economy, providing some 230,000 direct jobs, and even more indirect employment opportunities in other service industries, such as the retail, catering and transport sectors.

We must therefore do all we can to lay the foundations for lasting and sustainable development. To achieve this, we must increase our ratio of overnight visitors, create greater value for every tourist, and generate an even bigger buzz about Hong Kong by enriching our mega events and finding new ways to extend our appeal to more first-time visitors.

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new ways to extend our appeal to more first-time visitors.

At the same time, we must strengthen our strategic alliance with neighbouring destinations, including Mainland China, Macau and Taiwan, to exploit the growing global demand for multi-destination holidays. Since I became Chairman, I have been paying visits to tourism bureaus around the region to discuss collaborations which I hope will bear fruit soon.

I am also seeking input and ideas from all our partners on how the HKTB can do better. With this year's opening of the Kai Tak Cruise Terminal and the continuing boom in MICE trade, I am working closely with the Government and travel trade partners to explore exciting new possibilities.



Dr Peter Lam
Chairman
Hong Kong Tourism Board



The Winning Formula

In 2012, visitor arrivals reached an all time high of 48 million. The number of overnight visitors grew more than 7% year-on-year, and tourism receipts also achieved new heights, reaching HK\$296 billion.

These results were particularly remarkable coming as they did at a time of global economic uncertainty. In a volatile environment, we continued to challenge ourselves by launching a series of new initiatives and strengthening alliances with our tourism partners, and succeeded in consolidating our foothold in the global tourism arena.

A more visible Asia's World City brand

In 2012-13, we continued to uphold our Asia's World City brand in 20 strategic markets. We invested the majority of our resources in international markets and launched promotions on different continents, in order to achieve our two main goals: maintaining a diverse visitor portfolio and driving the growth of overnight arrivals.

Leveraging the Internet and social media, we developed new methods to engage potential visitors. We launched a brand new official website, rolled out two new visitor segment-focused brand videos, created an impressive Hong Kong Summer Showreel to engage stylish jet-setters, and expanded our mobile app collection. These digital initiatives successfully broadened our reach to our target audience and enhanced visitors' travel experience in Hong Kong.

We also took the initiative to promote the diverse tourism offerings of Hong Kong in different source markets. One of our most prominent overseas promotions was "Hong Kong · Live in Bordeaux". It was the first time for Hong Kong to be presented as the City of Honour at the Bordeaux Wine Festival, a culinary event that attracts thousands of food and wine enthusiasts from all over the world. Highlighting Hong Kong's culinary and cultural brilliance, we invited Hong Kong-based Michelin-starred chefs to serve their finest dishes and showcased some of Hong Kong's best-kept traditions to festival goers.

A wider range of tourism offerings

On the home front, we fortified our Asia's World City brand by enriching Hong Kong's tourism offerings. We rejuvenated our mega events – the Dragon Boat Carnival brought the Club Crew World Championships to Hong Kong for the first time, drawing a record 435,000 participants in six days; the Wine and Dine Festival was bigger and better than ever with more booths, new zones and elements, and Michelin-starred chefs from around the world, attracting an unprecedented 188,000 food and wine lovers, with 32,000 bottles of wine consumed; and the New Year Countdown Celebrations, relocated to Wan Chai, became the biggest in the event's history, generating more than 1,000 TV reports, including live broadcasts by media giants CNN, BBC and CCTV enjoyed by millions of viewers and potential visitors.

An enhanced all-round destination

We went all out to grow two special and increasingly important visitor segments, namely MICE (meetings, incentives, conventions and exhibitions) and cruise. During the year, Hong Kong extended its domination of the regional MICE market, hosting a variety of prestigious conventions and exhibitions, including the 100th FDI World Dental Congress and the Junior Chamber International Asia-Pacific Conference, which had an attendance of over 10,000 and 4,700 delegates, respectively.

Ahead of the opening of the Kai Tak Cruise Terminal, we organised the inaugural Hong Kong Cruise Forum for regional ports and international cruise companies to discuss collaborative opportunities. We also launched a co-op marketing fund to support advertising and promotions by cruise lines for bringing more cruises and visitors to Hong Kong.

Stronger partnerships

Our partnerships both at home and overseas have played a critical part in our success. We worked closely with the local travel trade to broaden our product selection, and launched the New Tour Product Development Scheme to provide local travel agencies with a greater incentive to develop new products.

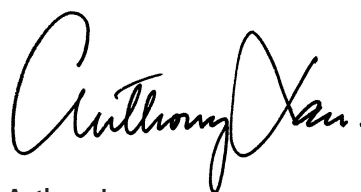
We also joined hands with our key partners in Macau and Mainland cities to promote multi-destination itineraries through trade shows, travel missions and events in various market regions.

We fostered co-operation between the local and overseas travel trade by launching an enhanced PartnerNet, which serves as a B2B platform for the global travel trade to team up with local partners, and provides industry information and support to all of our trade partners.

The success of our tourism sector is in no small measure due to the tremendous support of the Government, our sponsors, our partners in the travel trade and related industries, and a host of public and private organisations.

I would like to extend my heartfelt thanks to them all, as well as to all Board Members and colleagues at the Hong Kong Tourism Board for their steadfast support, unshakeable commitment and endless supply of great ideas.

We pledge to pick up the pace and deploy our imagination and determination to make sure that we keep on improving. Together with our partners, we will continue to uphold Hong Kong as one of the world's leading travel destinations.



Anthony Lau
Executive Director
Hong Kong Tourism Board