

Prepared by TKS Exhibition Services Ltd., the Organizer of ITE Hong Kong

Pre-pandemic, Hong Kong often ranked Asia's 3rd to 4th largest source market by outbound spending! In 2019 the city spent US\$26.9 billion on total international travel! Into 2022, more Hong Kong residents travel abroad, and for example departures in June grew 86.6% over last year.

Latest data support the new "0+3" policy, which waive mandatory quarantine for international arrivals, a strong boost to recovery! In fact, Hong Kong Airport recorded a 50% growth in number of departures by Hong Kong residents in periods 30 days before and 30 days after Sep 26, which respectively around 120,000 and 180,000.

This market report, which summarize the latest developments, consist of three parts:

Part 1 about recovery of Hong Kong outbound in the first 9 months of 2022.

Part 2 report impacts of the "0+3" policy which happened recently.

Part 3 is findings of the ITE2022 public visitor survey in August which collected over 3300 replies. The survey describe profile and preferences of quality travelers, majority of whom will spend more money on travel in the coming year.

The annual ITE Hong Kong, the city's only travel fair, held physically and successfully ITE 2021 and ITE 2022, each with over half exhibitors from outside and overseas and some 30000 trade and quality public visitors, while in pre-pandemic years non-local exhibitors accounted for some 85%.

ITE Hong Kong 2023, which comprise the 37th ITE (Leisure) & 18th ITE MICE, will be held from 15-18 June 2023 at Halls 1 of Hong Kong Convention & Exhibition Centre. (www.itehk.com // travel@tkshk.com)

Part 1. Hong Kong Outbound Recovery Gathering Speed in 2022

Hong Kong residents, who not subject to any outbound restriction by the city's government, been making more departures in 2022. For example, departures in September grew 82% compared to same period in 2021.

Passenger traffic of Hong Kong Airport in the first 9 months of 2022 up by 140% comparing to same period in 2021. Media reported numbers of Hong Kong residents departing from the airport 30 days before and after Sep 26 were respectively over 120,000 and 180,000, which means an increase of 50%!

2022 Hong Kong Residents Monthly Departures



*Sep has fewer departures due to "0+3" policy took effective on 26 Sep, more people hold traveling until the national holiday in October.

Part 2. Impacts of the new “0 + 3” Policy that removed Mandatory Hotel Quarantine

The new policy in effect means inbound travelers include Hong Kong residents returning from abroad no longer need to do the pre-flight PCR test and quarantine in a designated hotel, which strongly boost the city's outbound.

Travel Agents report / predict substantial growth in Outbound Business

From early to mid-Oct, travel agent **EGL** saw daily tour group booking tripled; travel agent **WWPKG** predicted monthly departing tour groups to rise from 30 in Oct to 50 to 70 in Nov and Dec; **Travel Industry Council** predicted the city's outbound to grow maximum by 50% in the next few months.

More Airlines resume Flights

- ✓ **ANA** will fly 4 times a week to Tokyo Haneda from Oct;
- ✓ **UA** to fly again between Hong Kong and San Francisco earliest in Jan 2023;
- ✓ **BA** to resume flight from coming December;
- ✓ **HK Express** by end Oct has 50 flights per week to and from Japan, and by Dec to 120 flights;
- ✓ **Cathay** to add 700 in Nov and 1200 flights in Dec, which mean an increase of over 0.5 million seats.

Post Policy survey found travel demand strong

Held from Sep 26 to Oct 3, the survey phone interviewed 1007 Hong Kong citizens aged 18 or above found 30% respondents plan to take outbound holiday in the remaining months of 2022.

Part 3. ITE2023 Public Visitor Survey - Profile & Preferences of Quality Travelers

ITE2022 drew over 31000 public visitors, and its online survey collected 3344 replies from August 12 when Hong Kong reduced arrival's mandatory hotel quarantine from 7 to 3 days.

Below finding summary and for detail, please visit ITE official website: www.itehk.com or click below:
<https://www.itehk.com/travelexpo/doc/press/ITE22-Public-Survey-en.pdf>

3a) Quality Travel Enthusiasts

On travel budget in coming year:

- 55% will increase
- 35% uncertain

On how soon restart traveling abroad:

- 21% within 3 months
- 44% within 6 months

On gender:

- 57% - Female
- 43% - Male

Traveling Format:

- 81% - FIT / private tour
- 19% - Join package tour

3b) Travelers Mature and Educated!

By Age:

- 45% - 40 to 59 years old
- 27% - 25 to 39 years old
- 23% - 60 or above

On education level:

- 48% - University or above
- 23% - Post-secondary

3c) Preferred post-pandemic Destinations (Maximum chose 2)

- 65% - NE Asia 65%
- 34% - mainland China, Macau and Taiwan
- 24% - SE Asia
- 23% - Americas and Europe
- 13% - Australia, New Zealand and S.Pacific

Disclaimer: TKS compiled publicly available market info from media and official websites etc. While care been taken in preparation, any usage at own risk.

Updates on 7-Nov-2022