Singapore Tourism Board Year-in-Review 2016

14 February 2017

Year-in-Review 2016

Presentation Outline

1. **2016 Tourism Sector Performance**
2. Market Insights
3. Key Initiatives in 2016
4. Looking Ahead: 2017 & Beyond

2016 Tourism Sector Performance | Overview

Record Visitor Arrivals & Tourism Receipts

Increased partnerships to drive growth

Enhanced Destination Attractiveness

2016 Tourism Sector Performance | Full Year Results

	FORECAST (RECAP)	ACTUAL
TOURISM RECEIPTS	S$22.0-22.4 billion (+0-2% vs. 2015)	S$24.8 billion* (+13.9% vs. 2015)
INTERNATIONAL VISITOR ARRIVALS	15.2-15.7 million (+0-3% vs. 2015)	16.4 million (+7.7% vs. 2015)

* Preliminary estimate

Source: STB

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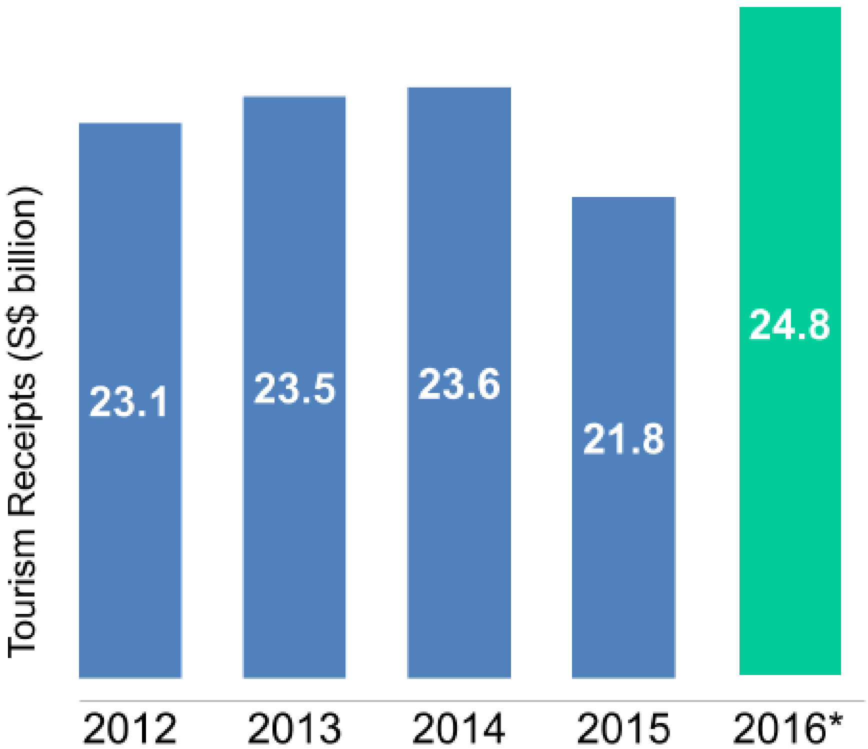
2016 Tourism Sector Performance | Tourism Receipts



S$24.8 billion*
+13.9% YOY

Largely due to record visitor arrivals & higher-spending visitors

* preliminary estimates based on YTD 3Q results
Source: STB

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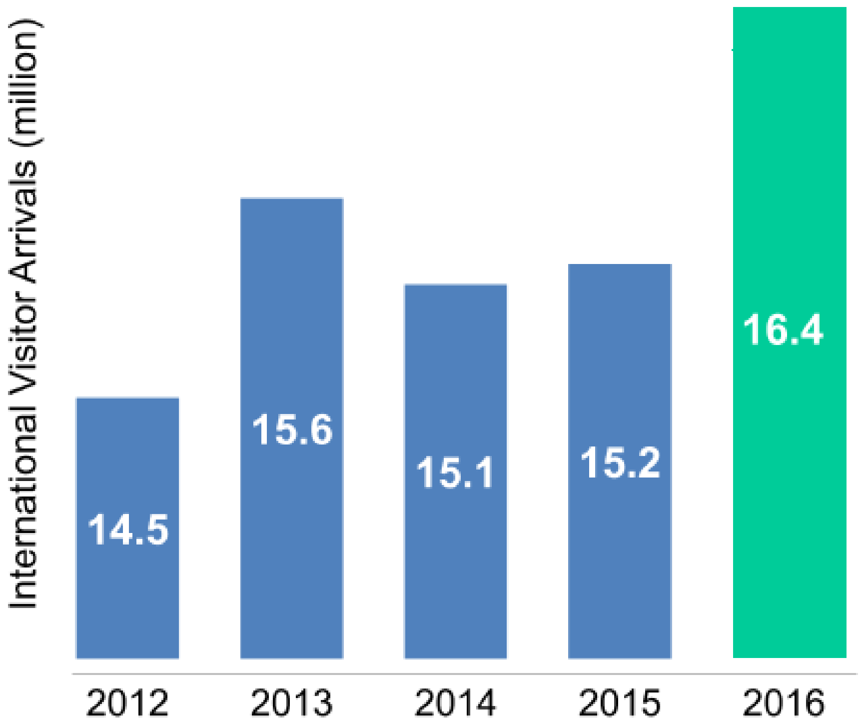
2016 Tourism Sector Performance | Visitor Arrivals



16.4 million*
+7.7% YOY

Strong VA growth from Indonesia China & India

* as of 18 Jan 2017
Source: STB

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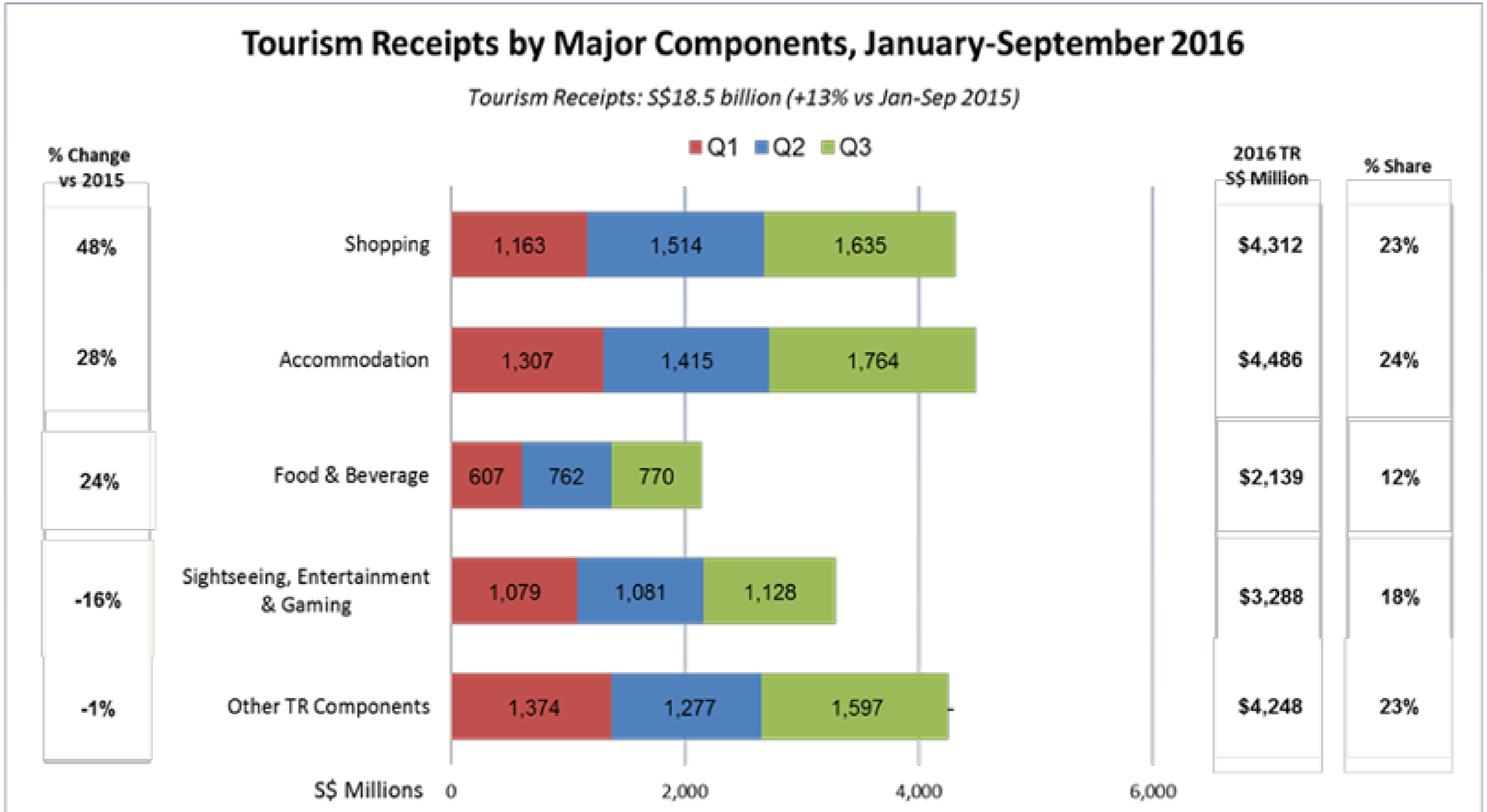
YTD 3Q 2016 Tourism Receipts | By Major Items



Source: Disembarkation/Embarkation Cards and Overseas Visitor Survey
- Sightseeing, Entertainment & Gaming includes entrance fees to attractions and nightspots, expenditure on day-tours, leisure events as well as entertainment at the Integrated Resorts.
- Other TR components include expenditure on airfares on Singapore-based carriers, port taxes, local transportation, business, medical, education and transit visitors.

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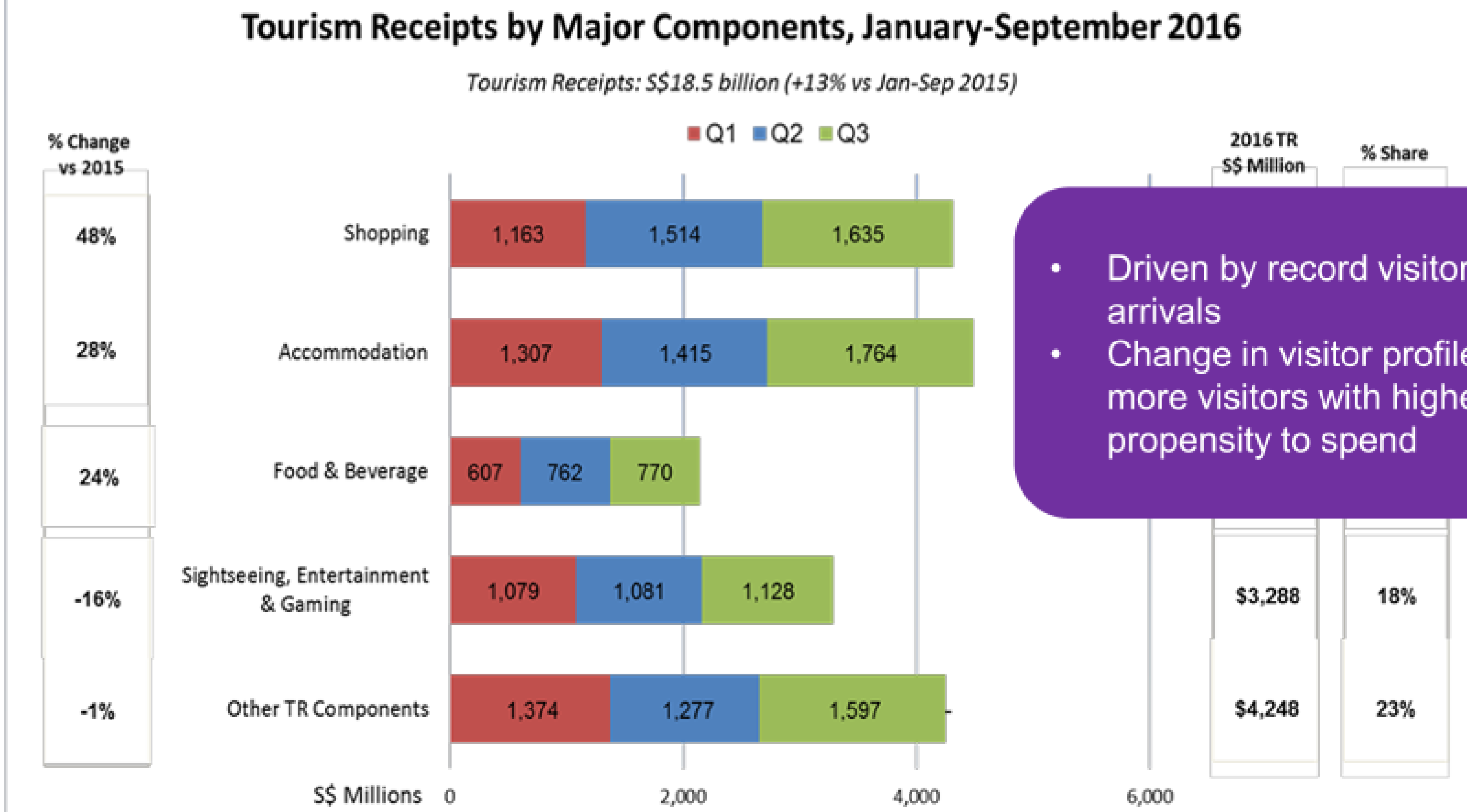

- Driven by record visitor arrivals
- Change in visitor profiles – more visitors with higher propensity to spend

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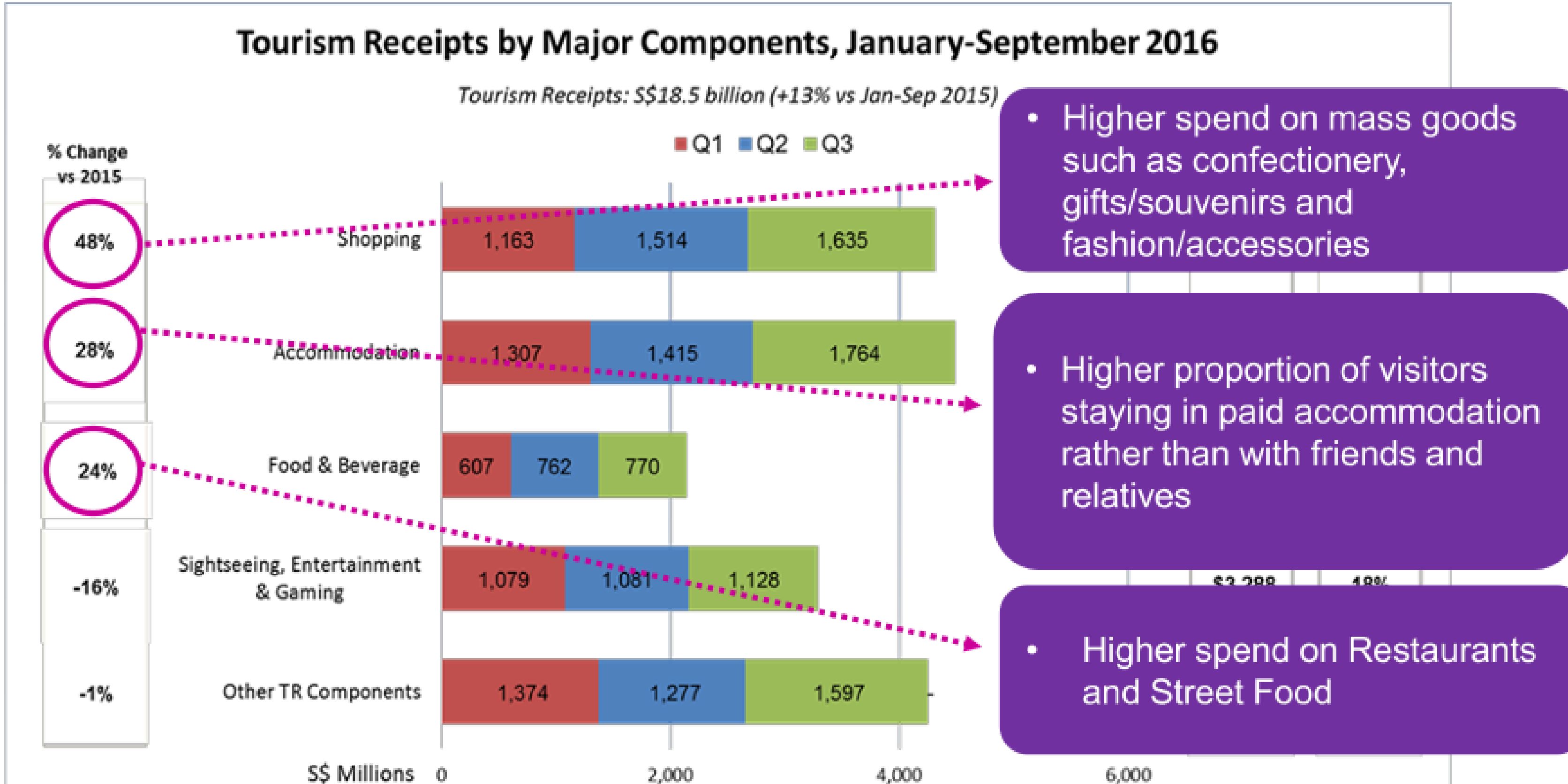

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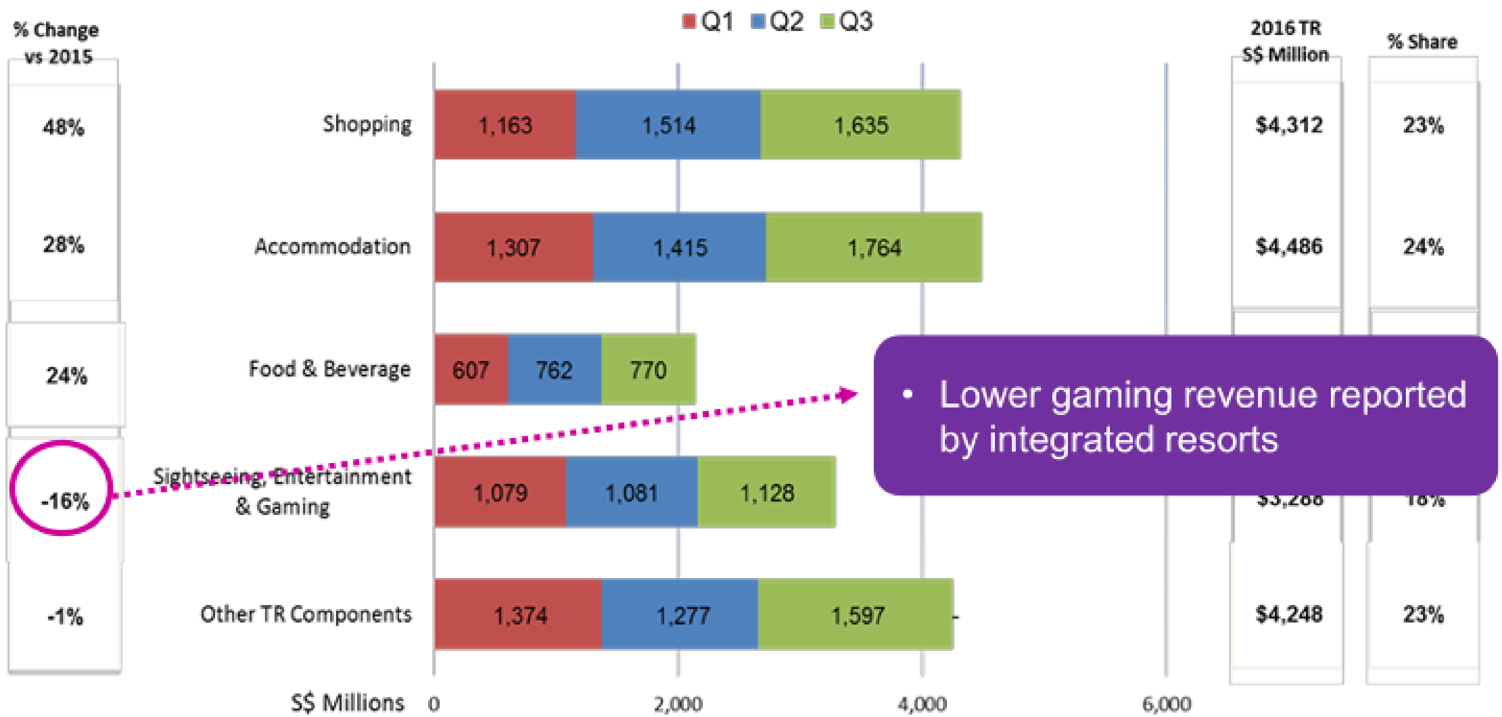
YTD 3Q 2016 Tourism Receipts | By Major Items

Tourism Receipts by Major Components, January-September 2016

Tourism Receipts: S$18.5 billion (+13% vs Jan-Sep 2015)



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YTD 3Q 2016 Tourism Receipts | Top 10 Markets

Tourism Receipts by Major Components, Top 10 Markets, January to September 2016

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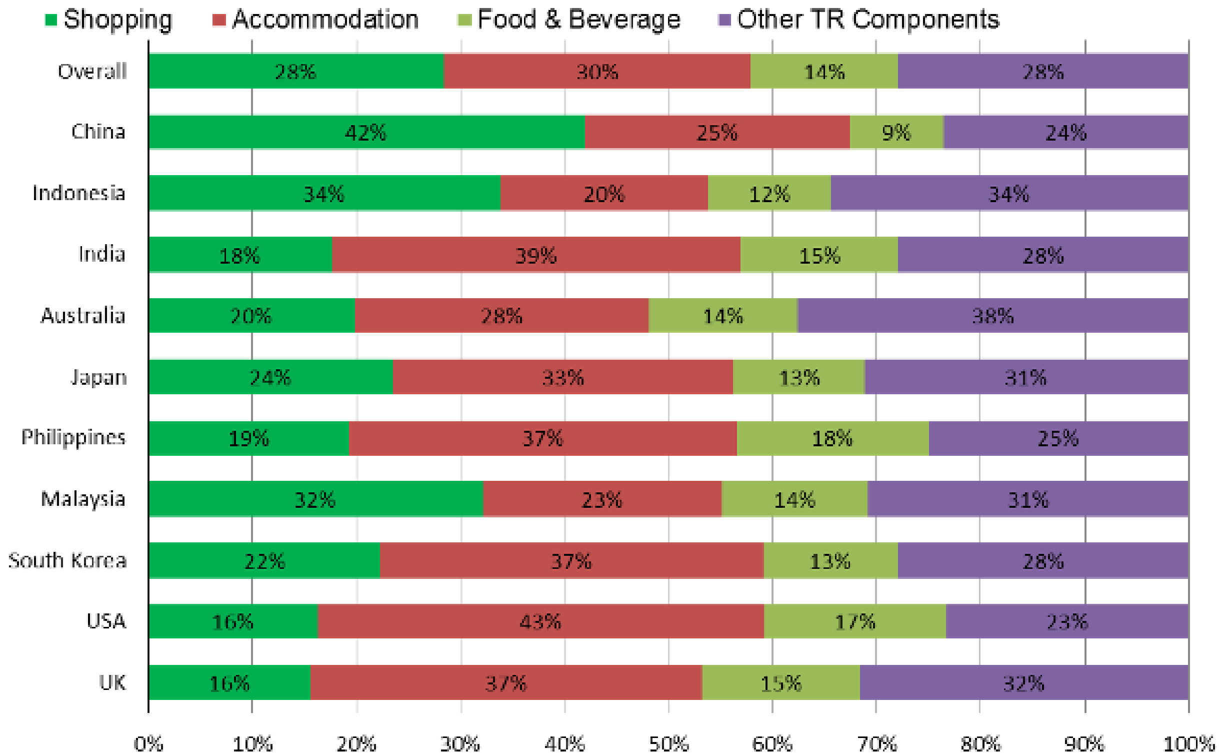

Market	VA % Change vs 2015	TR % Change vs 2015	2016 TR* (S$ mil)
Overall	9%	22%	15,185
China	41%	41%	2,812
Indonesia	6%	14%	1,939
India	9%	37%	1,125
Australia	0%	15%	863
Japan	1%	10%	784
Philippines	5%	20%	554
Malaysia	-2%	17%	540
South Korea	5%	19%	501
USA	2%	12%	469
UK	4%	2%	433

Expenditure is estimated from Overseas Visitor Survey.
Other TR components include expenditure on airfares on Singapore-based carriers, port taxes, local transportation, business, medical, education and transit visitors.
*Sightseeing, Entertainment & Gaming has been excluded in the country analysis due to commercial sensitivity of information.

Singapore TOURISM BOARD

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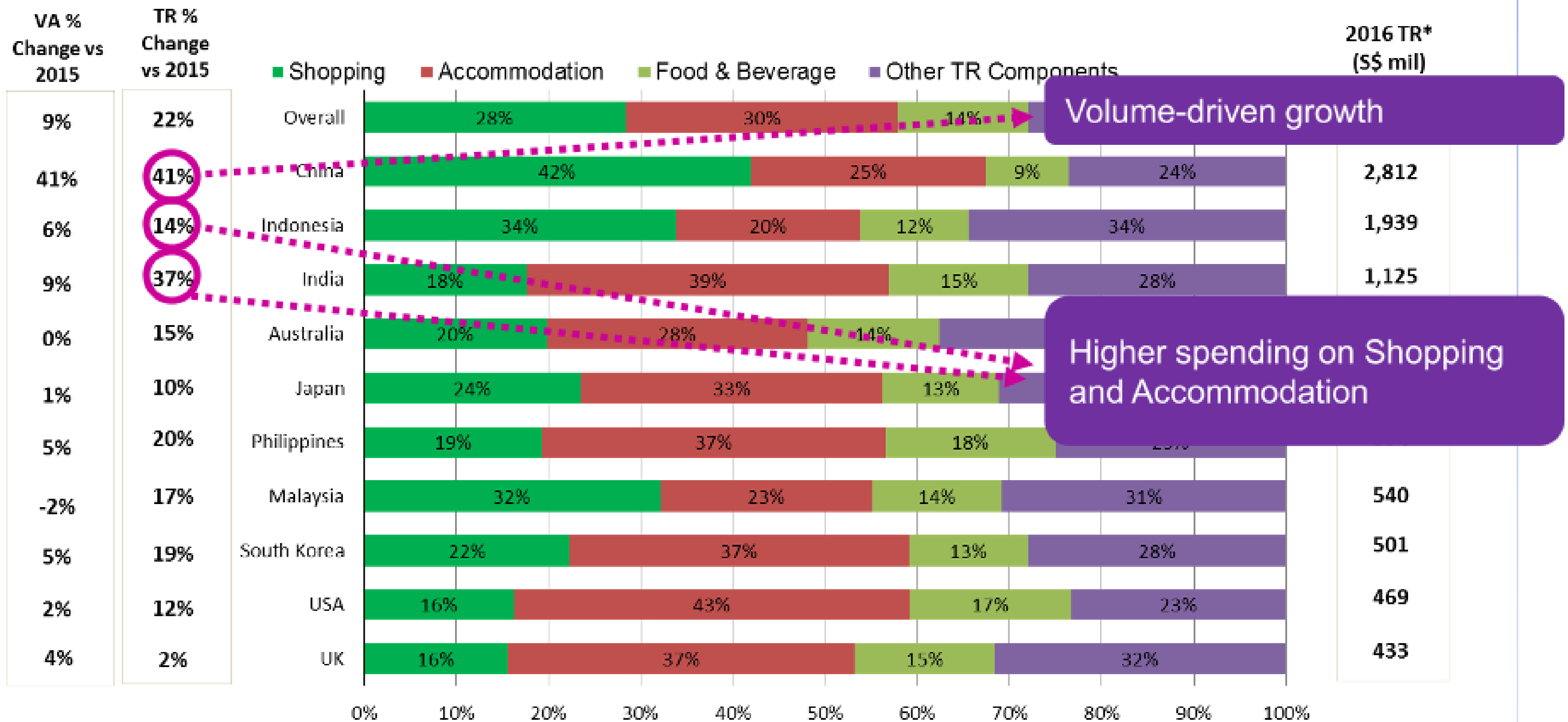

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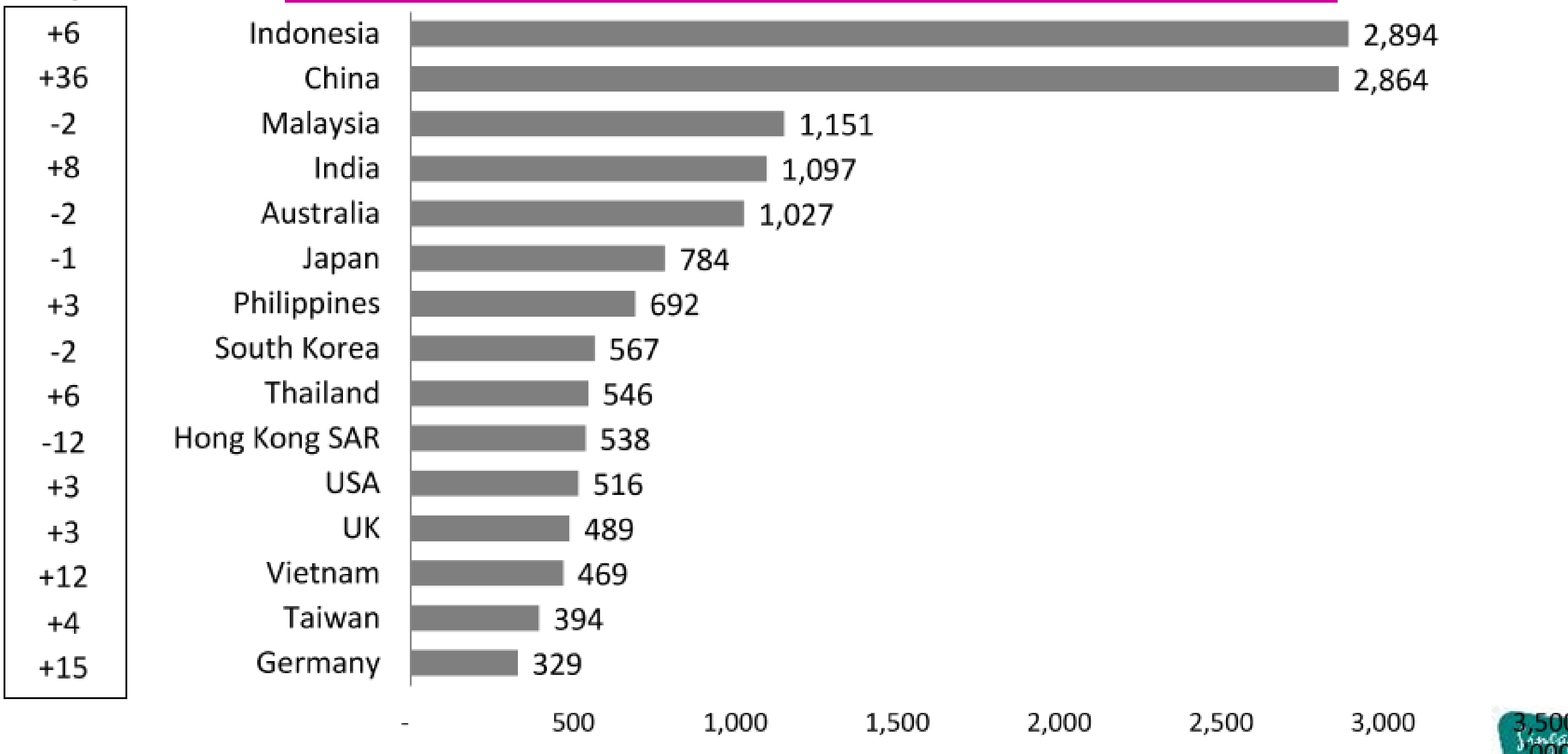
2016 Visitor Arrivals | Top 15 Markets

International Visitor Arrivals, Top 15 Markets, Jan-Dec 2016

16.4 million *Visitor Arrivals in 2016, (+7.7% vs. 2015)*

% Chg vs



Source: Disembarkation/Embarkation cards

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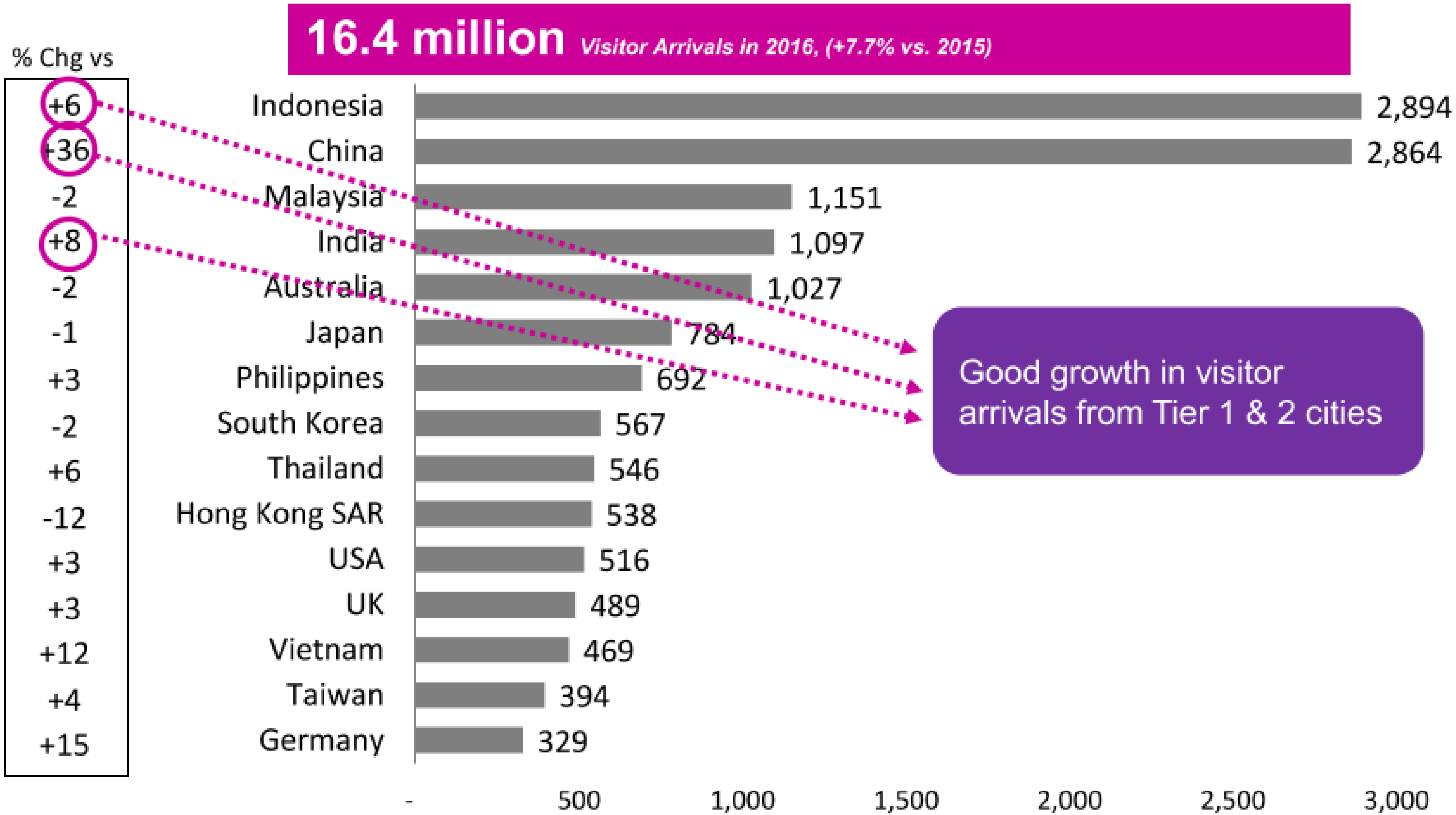

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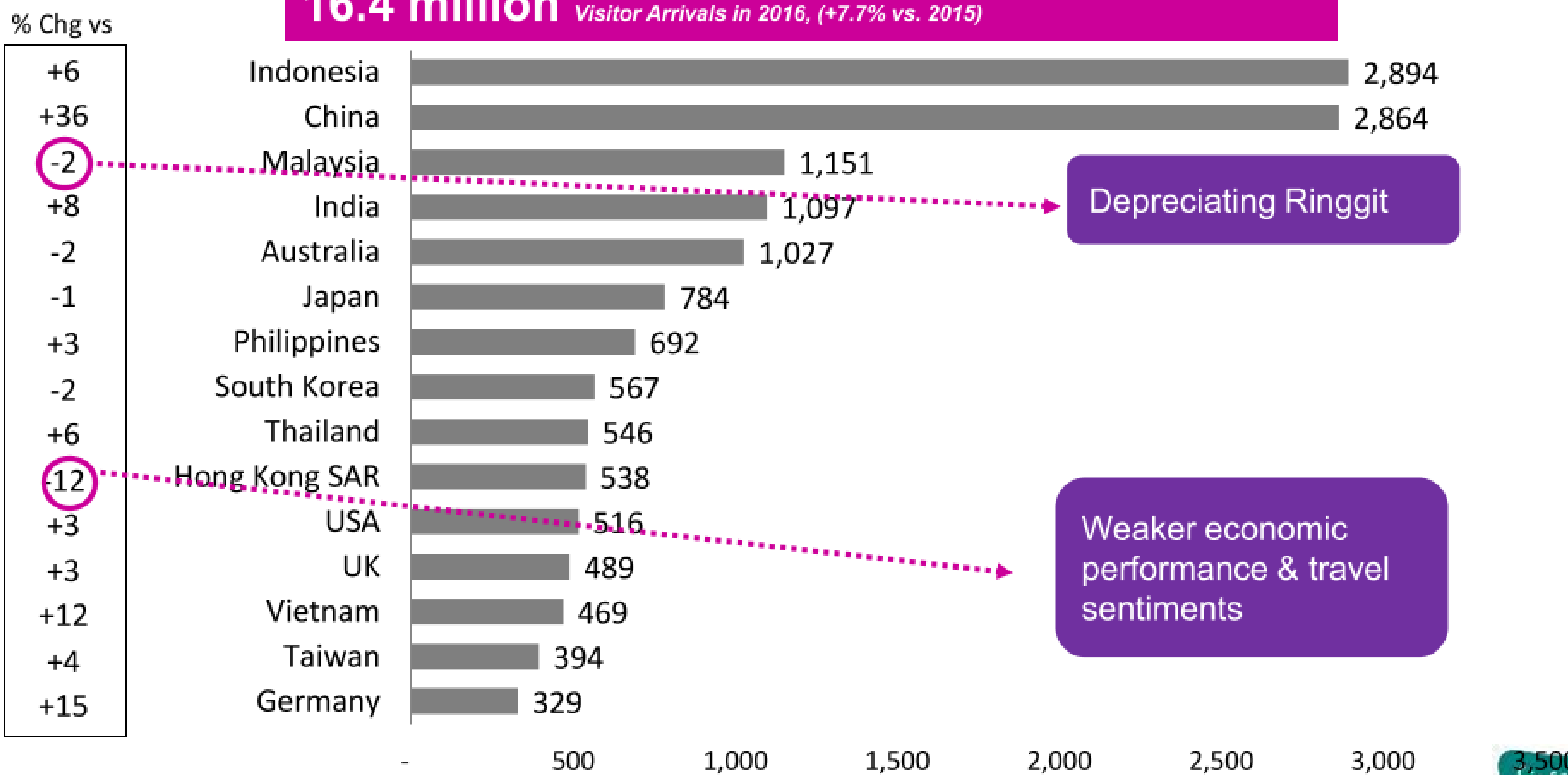

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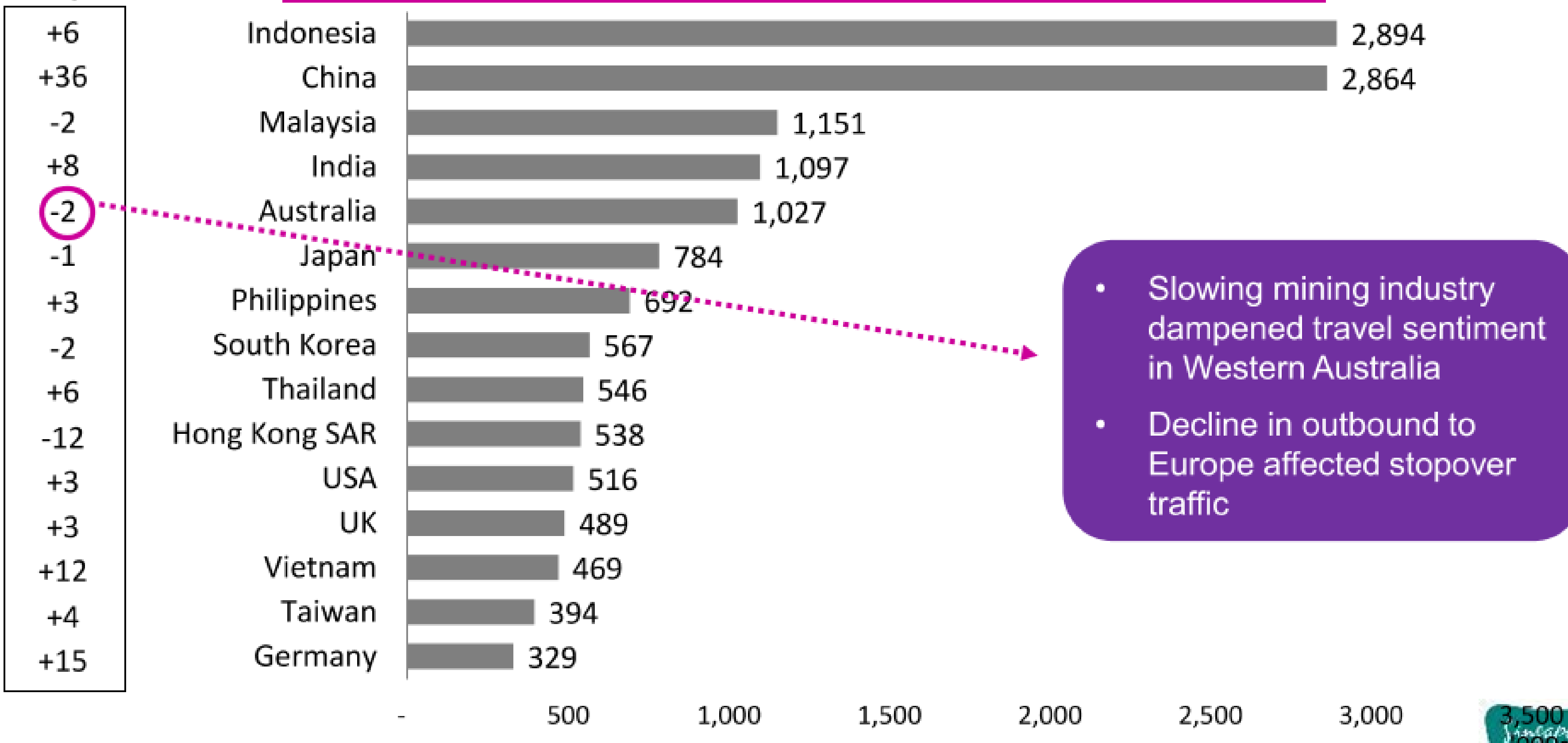

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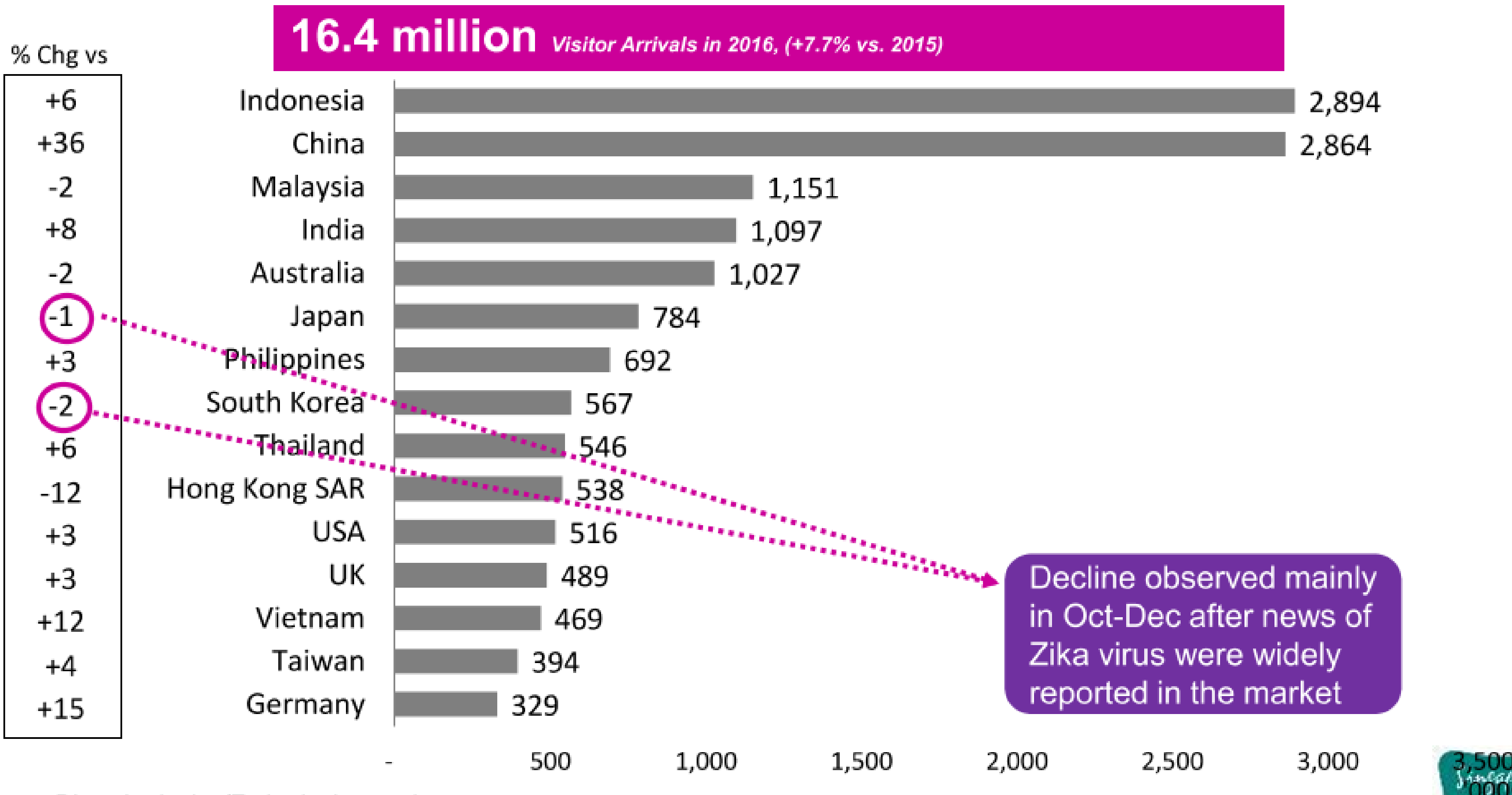

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Year-in-Review 2016

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MARKET INSIGHTS | INDONESIA

Market Highlights

No. 1 in Visitor Arrivals

Highest-ever Dec'16 VA

Improved economy generating

higher travel demand

GDP +4.9%, Rupiah appreciated vs SGD

Strong arrivals from both Tier 1 & 2 cities

+8% to 438K Visitor arrivals

from 7 Secondary Cities

Indonesia Traveller Profile

- Majority repeat visitors, looking for quick and easy getaway
- Keen on Shopping, Entertainment and Nightlife
- Family-friendly travel with emphasis on visiting Attractions

Key Marketing Initiatives

Integrated Marketing Campaign

Partnered on marketing efforts

Gardens by the Bay

RoyalCaribbean INTERNATIONAL

CHANGI airport singapore

Expanding our reach in Tier 2 cities

Partnered with stakeholders to roll out roadshows and media buys

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MARKET INSIGHTS | CHINA

Market Highlights

No. 1 in Tourism Receipts
for 2 successive years

+11% in visitors
on mono-Singapore trips to 737K
(quarter of all China visitors)

Strong arrivals from both
Tier 1 & 2 cities
+53% to 802K visitor arrivals
from 16 secondary cities

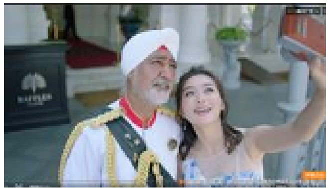
China Traveller Profile

- Growth in FIT/F&E over the years
- Majority are family travellers & early-career types
- Interested in food, shopping & sightseeing

Key Marketing Initiatives

Marketing efforts rolled out on digital channels, to reach out to a wider audience in Tier 1 & 2 cities

TVCs with Youku
Targeting families



TVCs with Tencent
Targeting early careers

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MARKET INSIGHTS | INDIA

Market Highlights

No. 1 Cruise arrival market

+29% to 100K
cruise passengers from India

26% PCE growth
(YTD 3Q2016)

Strong arrivals from both Tier 1 & 2 cities

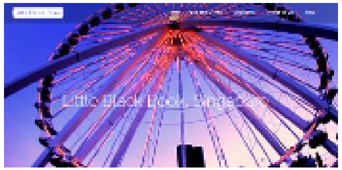
+7% to 183K visitor arrivals
from 12 secondary cities

India Traveller Profile

- Majority leisure family travellers with keen interest in sightseeing and attractions
- Early-career types interested in Shopping and F&B
- High reliance on travel agents

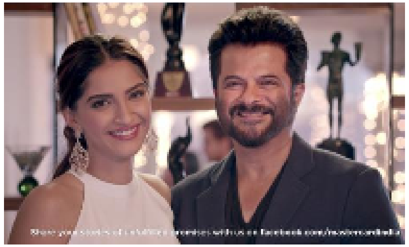
Key Marketing Initiatives

Media and Content Partnerships



Strong Emphasis on Industry Partnerships

mastercard



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MARKET INSIGHTS | MALAYSIA

Market Highlights

17% in Tourism Receipts to S$540M despite 2% drop in visitor arrivals (YTD 3Q2016)

19% PCE growth (YTD 3Q2016)

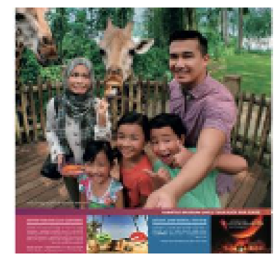
Increase in visitors from major cities with **propensity to spend** Including Penang, Kota Kinabalu & Langkawi

Malaysia Traveller Profile

- Majority repeat visitors, looking for quick weekend getaway
- Visiting family & friends
- Family travellers
- Early-career types

Key Marketing Initiatives

Targeting weekend travellers:
"Long Weekends are made for…"



Rolled out family-friendly travel campaign
"Singapore Junior"

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MARKET INSIGHTS | AUSTRALIA

Market Highlights

+15% TR spend to S$863M despite 0.2% drop in visitor arrivals (YTD 3Q2016)

16% PCE growth (YTD 3Q2016)

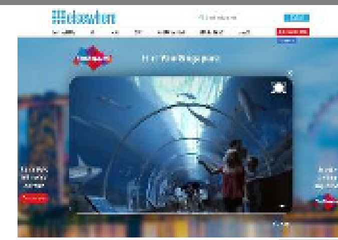
Increase in visitors from major cities with **propensity to spend**
Including Melbourne and cities in Victoria

Australia Traveller Profile

- Interested in authentic experiences different from home
- Interested in local culture, off the beaten track experiences
- Family-friendly travel

Key Marketing Initiatives

Digital and Social Content partnership



Unique content produced in partnership with leading Australian networks

Interactive video content and visual podcast episodes featuring key influencer

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MARKET INSIGHTS | MYANMAR

Market Highlights

Singapore in
Top 3 outbound
destinations

+4.1% CAGR
to 114K visitors (2012-2016)

+8.7% CAGR
to S$296mil in Tourism Receipts (2011-2015)

41% increase in VA in Dec 2016
after Visa Waiver took effect on 1 Dec

Increased flight **connectivity**
& upcoming airport

Myanmar Traveller Profile

- Largely family travellers
- Visit family & friends living in SG
- Rely on word of mouth
- Growth in social media presence

Key Marketing Initiatives

Engagement of key influencers and media partnerships with 7 Days & MRTV4


Singapore Festival held in Myanmar, Media & Trade FAMs

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MARKET INSIGHTS | GERMANY

Market Highlights

+5.4% CAGR to 329K Visitor arrivals (2012-2016)

+4.1% CAGR to S$261mil in Tourism Receipts (2011-2015)

New flights from Singapore to Dusseldorf

+55% growth to 56K in cruise passengers

Germany Traveller Profile

- Travel to Singapore often involves multiple destinations in Asia
- Prizes safety and security in travel choices
- Interested in authentic, unique and immersive experiences

Key Marketing Initiatives

Partnership with Thomas Cook for "GetIntoSingapore Campaign & Gruner + Jahr Publishing House

Partnership with FTI with Singapore for "Highlight of the Year Destination in 2016"

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Year-in-Review 2016

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Key Initiatives in 2016 | Digital Marketing

Reaching the Chinese Consumer through their unique digital ecosystem

YourSingapore

途牛 tuniu.com

大众点评 dianping.com

Ctrip 携程

去啊 ALITRIP

蚂蜂窝 www.mafengwo.cn

Tencent 腾讯

Singapore TOURISM BOARD

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Key Initiatives in 2016 | Digital Marketing

Partnership with Chinese Online Travel Agents

"新有灵犀 从心发现"
Marketing Campaign

途牛 tuniu.com

Ctrip 携程

Expanded into tier 2 cities

Customised tour development

Results achieved by Tuniu

99,200
(+52%)
YOY in bookings made for Mono-SIN tour packages in 2016 vs 2015

Highlights of a 5D4N Tour Package by CTrip & Tuniu

- Extended, mono-Singapore stay
- Semi-guided, with 1-2 days of Free & Easy itinerary (e.g. Shopping)
- Guided Tours cover diverse offerings
  - Attractions (Sentosa, GBTB, SG Flyer)
  - Heritage & Culture (Civic District, Chinatown, Little India, Kampong Glam)
  - Culinary (Lau Pa Sat, Bak Kut Teh)

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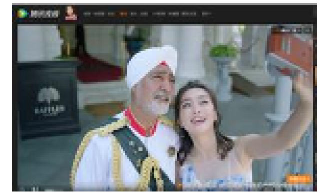
Key Initiatives in 2016 | Digital Marketing

Proliferation of Content on Digital Channels

WeChat

Over 120,000 downloads for audio guides across **five** attractions

Tencent 腾讯



2 TV Commercials featuring Chinese celebrity, Qin Lan

Over **52,000** packages sold by 20 travel agent partners

大众点评 dianping.com

~ 350,000 sms pushed out in five precincts (Dec '16 – Jan '17)

+49% growth to reach **38,485** listed establishments

蚂蜂窝 www.mafengwo.cn

In-depth content on Singapore's Nightlife, Shopping, Attractions and Events

130% increase in bookings during the 7-day destination marketplace sale.

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Key Initiatives in 2016 | Digital Marketing

NEW More Digital Partnerships

Expanded to other major markets such as Korea

Singapore TOURISM BOARD kakao ⟷ TRAVEL ONE

Forged new digital partnerships in Singapore

Singapore TOURISM BOARD TINK LABS ⟷ handy.

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Singapore TOURISM BOARD

Key Initiatives in 2016 | Supporting Industry Transformation

52 technology-related projects endorsed for support

Business Improvement Fund

Food & Beverage Point-of-Sale Automation and Analytics by Millennium & Copthorne International Limited (MCIL)

Suite of solutions to redesign work processes, derive real-time data analytics & reduce guests' wait time:

- **Work process redesign** such as automation of table allocation and verification of voucher redemptions
- **Technology resources** such as self-service e-menu & mobile ordering devices for wait staff to input orders and bill on the spot
- **Real-time Analytics** such as inventory of restaurant seats; capture revenue and costs across all MCIL hotel properties
- Targeted total productivity savings of **37 full time equivalent staff per day** across all 6 hotels.

Copthorne King's Hotel Singapore | Studio M Hotel Singapore | M Social Singapore | M Hotel Singapore | Orchard Hotel Singapore | Grand Copthorne Waterfront Hotel Singapore

Booking System & Resource Planning Project by Wok n Stroll Pte Ltd

- Automate resource planning and management of tourist guides and assignment details
- Booking engine launched for customers to allow instant tour availability check and direct booking and payment.
- Improved customer service and business processes with a customer relationship manager (CRM).
- Expected to **increase topline revenues by 60%** after one year of implementation

Experience Step-Up Fund

Implementation of In.Sight by Sohu Travel Pte Ltd

A one-stop smart travel solution that combines numerous functions into a single mobile app:

- **Route Planning**
- **Attraction Information (including VR previews)**
- **Companion Tracking**

- Tourist guides can track group members and notify them via app updates. Interactive elements include chat rooms allowing visitors to interact with each other.
- Expected to achieve **20% increase** in inbound customers received by Sohu Travel.

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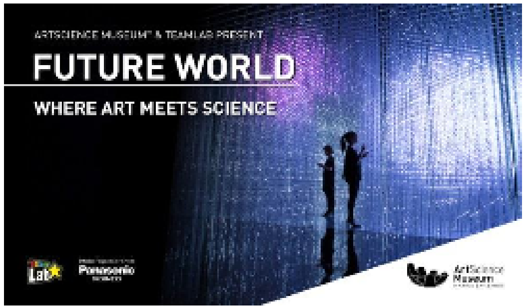
Key Initiatives in 2016 | Enhancing Destination Attractiveness

New & Rejuvenated Attractions

New Attractions



KidZania Singapore

Development of Mandai Nature Precinct*

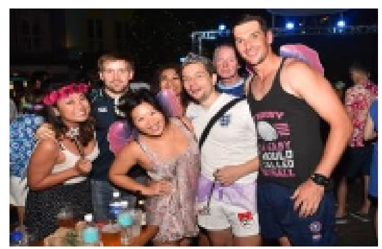
*Credit: Mandai Park Holdings

Rejuvenated Offerings:

Chinatown Heritage Centre

Clarke Quay

ZOUK



Rugby After 7s

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Singapore Tourism Board

Key Initiatives in 2016 | Enhancing Destination Attractiveness

Leisure Events & Initiatives

Leisure Events

WORLD RUGBY™ HSBC SEVENS SERIES Singapore
Attendance
50,000

ULTRA SINGAPORE
Attendance:
45,000, about 36% foreign visitors

AFA
Attendance:
94,828, about 20% foreign visitors

NEON LIGHTS
Attendance:
15,000, about 22% foreign visitors

Dining & Retail Initiatives

COMO DEMPSEY

Launch of MICHELIN Guide Singapore

SINGAPORE 新加坡黄金周 GOLDEN WEEK 2016 | UnionPay 银联 Official Card

*Event attendance rounded to nearest ~100

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Singapore TOURISM BOARD

Key Initiatives in 2016 | Enhancing Destination Attractiveness

MICE Events & Initiatives

+15%	**> 343,000**	**S$611m**
STB supported more than 410 business events in 2016	Visitor arrivals generated +20% vs 2015	Tourism receipts generated +28% vs in 2015

Inaugural MICE Events in 2016*

ISMRM ONE	SpineWeek 2016 Singapore	apex EXPO	Singapore FinTech Festival	ProWine Asia	2016 Unicity Global Convention Singapore	USANA
VA: 5,800	VA:2,800	VA: 2,000	VA: 6,000	VA: 6,000	VA: 10,000	VA: 6,000

*VA rounded up to nearest ~100

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Key Initiatives in 2016 | Enhancing Destination Attractiveness

Significant MICE events secured in 2016

2017 | 2018 | 2019 | 2020

IAAPA Asian Attractions Expo
Expected VA: 5,000

Asia Health 2017
Expected VA: 2,800

Global Leadership Conference and YPO EDGE 2018
Expected VA: 2,800

World Credit Union Conference 2018
Expected VA: 1,900

Options for the Control of Influenza conference X 2019
Expected VA: 2,500

73rd Int'l Institute of Welding (IIW) Annual Assembly & International Conference 2020
Expected VA: 1,200

100th Meeting of the Internet Engineering Task Force 2017
Expected VA: 1,400

Asia Pacific Association for Int'l Education Annual Conference and Exhibition 2018
Expected VA: 1,800

TFWA 2018-2020
Expected VA: 3,000 annually, 9000 over 3 years

33rd Asia-Pacific Association of Cataract & Refractive Surgeons Meeting 2020
Expected VA: 1,600

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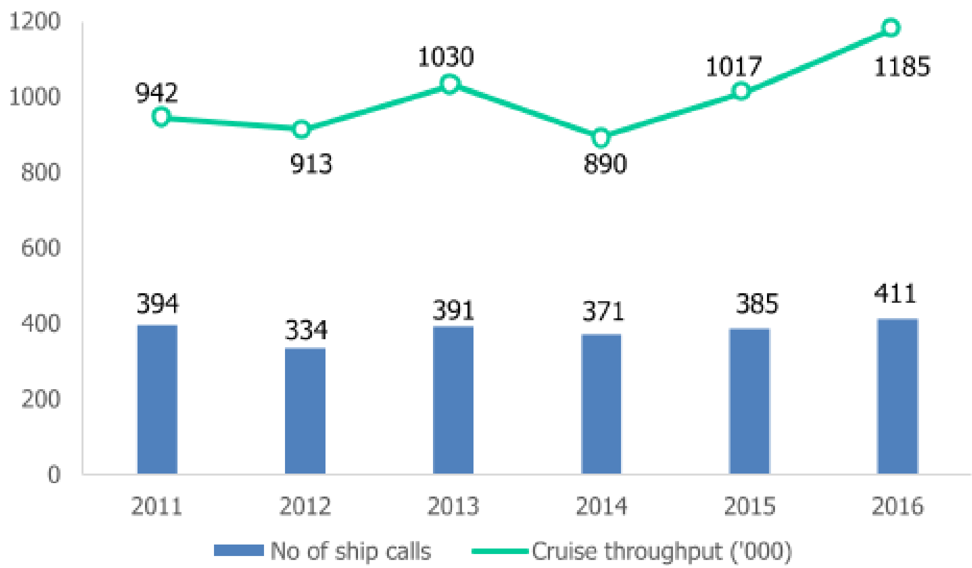
Key Initiatives in 2016 | Enhancing Destination Attractiveness

A More Vibrant Cruise Scene

10 Maiden Calls

+7% Ship Calls

+16% Passenger Throughput



Industry Endorsement

Seatrade Cruise Awards 2016

#1 Cruise Destination

CRUISERS' CHOICE CRUISE CRITIC 2016

Top Asian Port of Call

SEABOURN

Christening of Seabourn Encore

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Key Initiatives in 2016 | Enhancing Destination Attractiveness

Forging Cruise Partnerships

Enhanced growth of SEA's cruise industry

CRUISE SOUTHEAST ASIA *feel the warmth*

Tapping on new Cruise Southeast Asia brand to strengthen **brand recall for regional cruising**

Signed **the SG-Indonesia Tourism MOU** to develop cruise tourism between Indonesia & SG

Collaborating with in-market industry partners

Cruise Development Fund

Enhanced scheme successfully supported **5 charters**

~**9,000** passengers

Marketing Partnerships

Packages sold by **14 partners** in five markets
~ **10,000 passengers** with majority doing pre/post stays in Singapore

- Partners saw y-o-y growth ranging **double-digit growth**
- **3 to 5 nights pre/post stays** in Singapore

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* Projected numbers from Cruise team **Compounded Average Growth Rate

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Looking ahead in 2017 and Beyond | Tourism Forecast

TOURISM RECEIPTS

S$25.1-25.8 billion (+1-4% vs. 2016)

INTERNATIONAL VISITOR ARRIVALS

16.4-16.7 million (+0-2% vs. 2016)

Challenges

- Global economic and political uncertainties
- Regional competition

Opportunities

- Growth of Asia-Pacific tourism
- Increase in air connectivity
- Pipeline for MICE events remains strong

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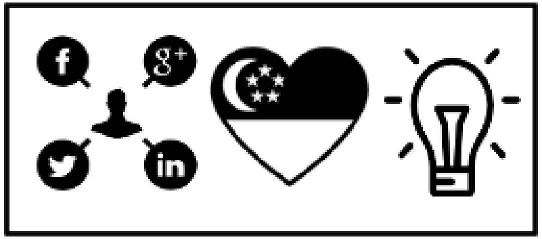
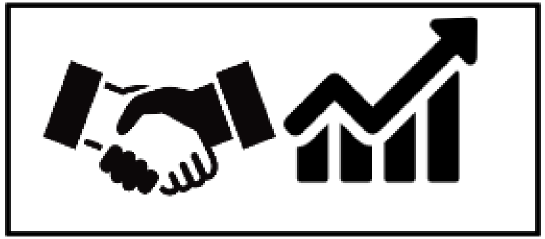
Singapore TOURISM BOARD

Looking ahead in 2017 and Beyond | What to look out for



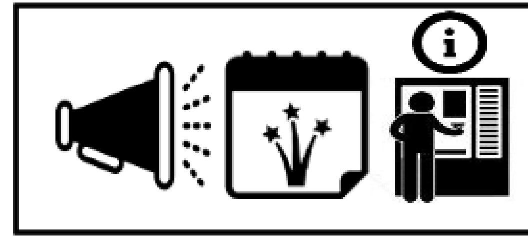
Marketing:

- Tell the Singapore story through showcasing Singaporean talents
- Expand marketing efforts into new source cities in key markets
- Increase partnerships with trade and non-trade partners
- Continue to expand digital footprint in various markets
- Continue global campaigns as we review our brand and position Singapore as a top destination



Accelerate business transformation and boost industry competitiveness (e.g. Hotel Industry Transformation Map, Travel Agent Roadmap):

- Work with the industry to:
    - Scale up adoption of technology
    - Enhance productivity and drive innovation in hotels
    - Develop a future-ready tourism workforce through the various SkillsFuture initiatives



Enhance Singapore's Destination Attractiveness:

- Develop more family-friendly/ branded entertainment & home-grown ones
- Rejuvenation/Remaking of Orchard Road
- Enhance visitors' experiences through roll-out of technological initiatives such as tourism info & services hub

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Thank You