

Tourism Policy Trends of Key Market Competitors

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I . Greater China Region

1-1. China

- **China's tourism industry adopts 5G to push for innovation and upgrade**
 - China Unicorn released the first 5G-based smart tourism application in the end of 2018. In May of this year, the company announced its plan to build China's largest 5G cultural theme park in Shenzhen in collaboration with Window of the World.
 - 「5G + Smart culture tourism」 platform was launched in Huzhou, Zhejian Province, and 「One-Click smart culture Huzhou」 was released.
 - The adoption of 5G technology to the tourism industry will greatly improve the tourism management capacity, diversify sales and distribution channels of tourism products, and enhance the overall quality of tourism services by converging advanced technologies such as AI, high-definition video, AR, and VR and supporting the

spread, experience, and innovation of cultural contents of tourist destinations.

<Source: 人民网－人民日报海外版, 24 May>

- **Ministry of Culture and Tourism (MCT) released tour package catalogue editing standards to be applied as of 1 Aug**
 - More consumers are suffering from damages as information on Chinese tour packages is not classified properly and each travel agency provides different contents.
 - MCT announced tour package catalogue editing standards to avoid such damages.
 - The MCT standards clearly states that a tour package should provide detailed information such as country name, number of travel days (if the hours of travel last less than 24 hours, it should be considered as a day), tour schedule, time and location of pick-ups and dissolution, means of transportation, accommodations, restaurants, shopping details, timeline, and total costs including fees for tour guides.

<Source: sohu.com, Jun 5>

- **Shanghai releases refund policy for**

online travel agencies (the refund policy) to be applied as of 1 Aug

- The refund policy was jointly prepared by Ctrip, Tuniu, Lvmama and 9 other online travel agencies.
- Unlike the government rules and regulations, the refund policy is a non-binding scheme as it is prepared by private companies jointly for dispute resolution with regard to tour products.

<Source: 中国旅游报, 11 Jun>

○ Jiangxi announces its 3-year action plan for tourism industry for 2019-2021

- It aims to attract 900 million visitors with the total revenue of CNY 1.5 trillion by 2021.
- To create the region as a global tourist destination by revamping tourism management system that currently depends on excessive entrance fees for Mount Lu, Mount Sanqing, Mount Longhushan, and Mount Wugon.
- To develop water tourism by using lakes of the region such as Lushan Xihai, Fairly Lake, and Yangming Lake.
- Details of the plan include fostering

3 to 5 large tourism companies worth CNY 10 billion and 5 to 8 mid-sized ones worth CNY 5 billion by 2021.

<Source: 江西日报, Jun 25>

○ China releases the 2018 cultural tourism development statistics

- It was estimated that the number of organizations, companies, and employees related to cultural tourism was 318,200, 8,200, and 3.7507 million, respectively, as of the end of 2018.
- In 2018, the number of domestic travelers was 5.539 billion with an increase of 10.8% compared to last year, and total revenue was recorded at CNY 5.0097 trillion or an 10.5% increase from previous year. Also, the number of inbound tourists and outbound tourists was 141.2 million and 149.82 million with an increase of 1.2% and 14.7%, respectively.

<Source: 中国经济网-《经济日报》, 27 Jun>

1-2. Taiwan

○ Tourism Bureau announces the result

of 「ask me」 to improve tourist services in small villages

- Tourism Bureau has implemented ask me program that provides information to tourists for all issues occurred during the visit to Taiwan for 6 years, over 400 shops and related facilities located in tourist destinations under the umbrella of local governments joined the ask me program.
- Tourism Bureau received applications for ask me designation in an effort to expand the scope of services and improve the convenience for tourists.
- As a result, a total number of 122 shops, accommodations, car rentals, convenience stores, and factory tours applied to join and 25 of them were designated as ‘ask me’ members for small villages, helping travelers visit them more conveniently.

<Source: Tourism Bureau, MOTC, 25 Apr>

○ Tourism Bureau runs tourism talent nurturing programs in 2019 to innovate the industry

- The tourism market structure changes rapidly along with changing consumption patterns of tourists.

- Tourism Bureau decided to provide students studying overseas with financial supports that cover a 50% of living expenses, transportation expenses, health insurance coverage, departure tax, and fright fare in an effort to nurture outstanding tourism talents who can respond to changes in the market promptly.

<Source: Tourism Bureau, MOTC, 7 May>

○ Tourism Bureau of MOTC announced the amendment of Accommodation Classification and Assessment Standards in April

- Taiwan has implemented the accommodation classification system since 2009.
- In an effort to improve the understanding of persons engaging in accommodation business about the revised classification system, Tourism Bureau held a presentation on 4 June.
- The Bureau explained that the accommodation assessment scheme would provide domestic and foreign tourists with satisfying experiences related to the safety, hygiene, and service quality of accommodation facilities and encouraged them to

improve their service quality.

<Source: Tourism Bureau, MOTC, 4 Jun>

○ **Tourism Bureau plans to provide subsidies to local governments to improve their quality of leisure and tourism in general**

- Tourism Bureau implemented a 4-year project to create an environment for experience tour and local tourism in 2019 to preserve the beauty of natural landscape.
- The Bureau will provide subsidies for entities that actually provide tourism services and one-time facilities are excluded from the scope.

<Source: Tourism Bureau, MOTC, 19 Jun>

○ **Tourism Bureau announced safety tips for all travelers in order to protect the interest of consumers during the peak season in accordance with the Ordinance on Tourism Promotion and the tips are as follows:**

- Book your vacation package at legal travel agencies and compare the price with ones listed at the homepage of quality assurance association.
- Check the details of contract,

operating status of travel agency, and coverage of travelers insurance upon buying the package.

- The date of departure and use of vacation package should be clearly stated and the travel agency should make a contract written in an official template used for domestic and overseas travel.
- Be careful in deciding domestic travel package, and look through the details such as means of transportation, hotels, restaurants, tour schedule, insurance coverage, timeline, etc. besides the price for safety trip.
- To purchase an overseas travel package, visit the website of consular office to collect the safety information of the destination, and recommend to register personal information to the site before leaving the country to ensure the safety.

<Source: Tourism Bureau, MOTC, 27 Jun>

1-3. Hong Kong

- **As the ban on mainland Chinese tourists to visit Macau was lifted, the Immigration Office of Hong**

Kong began to issue permits for visiting Macau and Taiwan as of 1 April 2019

- Previously, mainland residents were required to receive the permit from the office of domiciliary registry for access to Macau.

<Source: Macau Daily Times, 1 Apr>

○ **As the U.S.-China trade war hits the tourism industry of Hong Kong, it seeks to extend the duration of stay and spending of tourists**

- Hong Kong Tourism Board (HKTB) announced that the growth of accommodating tourists is slowing down, although the total number increased by 2.1% in April compared to last year. It is a stark contrast to one month before when the total number of tourists including people leaving Hong Kong within 24 hours of their transit increased by 17.3% year-on-year.
- Mainland Chinese tourists prefer to stay in accommodation facilities at a relatively low price, rather than high-end and expensive hotels when they visit Hong Kong, amidst economic uncertainties.

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<Source: South China Morning Post, 15 May>

○ **Quality Tourism Service Association celebrates its 25th anniversary of foundation**

- Quality Tourism Services Association (QTSA) invited about 700 members and QTS accreditation organizations to the event to celebrate its 25th anniversary of foundation.
- In addition, QTSA awarded ‘best QTS owners, best QTS service employees, and long-term QTS owners’ in recognition of their outstanding performance and achievement for 2019.

<Source: Hong Kong Tourism Board, 20 May>

1-4. Macau

○ **Macau and Guangzhou seek cooperative ties in the tourism industry**

- Macau established tourism development strategies focusing on efforts to nurture its tourism and leisure industries.

- It aims to actively develop culture, leisure, tourism resources and foster the MICE industry.
- Macau simplified the airport check-in process for the convenience of mainland Chinese tourists.
- Macau and Guangzhou agreed to pursue cooperative development to diversify tour products and contents of the city.

<Source: dynamicmacau, 15 May>

○ **In marking 20th anniversary of Macau Special Administrative Region of the People's Republic of China (Macau's Return to China), Macau announced its social and cultural strategies encompassing the tourism industry in 2019**

- Based on tourism industry development plan of Macau, it proposes “strengthen the effort to build delicious cities, actively create tourist destinations, develop smart tourism and other various cultural tourism products” as key strategies.

<Source: 澳门特别行政区政府旅游局, 17 May>

○ **JNTO determines to improve call center performance to provide more information to foreign tourists**

- Japan National Tourism Organization (JNTO) is running call centers for foreign visitors that operate 24/7 providing language services in Japanese, English, Chinese, and Korean in accordance with countermeasures for the safety of foreign tourists upon emergency issued on 28 September 2018.
- A series of measures were announced to strengthen information system for foreigners including the improvement of automatic voice response and Chatbot features of call centers (29 March), and strengthening disaster information and search functions for safe places via mobile applications (26 March).
- When a disaster or national emergency occurs, JNTO plans to provide a comprehensive information via its global website, twitter account for disaster information, local tourist information centers, and networks of overseas offices.

<Source: JNTO, 3 Apr>

II. Japan

○ **Japan Tourism Agency declares its vision to become a sustainable tourism leader**

- In June, 2018, Japan Tourism Agency installed Sustainable Tourism Promotion Center within the agency and analyzed the impact of overtourism along with the recent increase of inbound tourists. The agency announced the result on 10 June.
- The result found that overtourism caused problems to popular destinations such as congestion and bad manner of visitors. However, the issue cannot be considered as a nationwide issue yet.
- Hence, the agency decided to conduct demonstration projects to reduce the impact of congestion and bad manner centering on popular tourist destinations and develop a sustainable tourism indicator that complies to the international standards.

<Source: Japan Tourism Agency, 12 Jun>

III. Southeast Asia

3-1. Vietnam

○ **South Korean tourists take the lead in the number of foreign**

visitors to Vietnam in 1Q 2019

- Vietnam welcomed about 1.11 million South Korean tourists in the first quarter of 2019, a year-on-year surge of 24.4%. With this momentum, the figure is projected to exceed 4 million this year.

<Source: Vietnam's Ministry of Culture, Sports and Tourism, 17 May>

○ **Quang Binh, Google partner to promote local tourism**

- The Tourism Department of central Quang Binh province announced that it is working with Google to launch a campaign popularizing regional travel destinations on YouTube and Google Arts & Culture platform.
- Director of the department Ho Anh Phong said that over 1,000 photos featuring scenic spots and outstanding cultural works of Quang Binh, Thua Thien-Hue, Da Nang, and Quang Nam will be shown from the third quarter of this year.

<Source: Ministry of Culture, Sports and Tourism, 26 Jun>

○ **Vietnamese Ministry of Culture, Sports and Tourism and the Federal Agency for Tourism of Russia signed a MoU on tourism cooperation**

- Under the MoU, the two sides will coordinate to build and deploy joint tourism cooperation programs, support each other in issues related to administrative procedures, and share the information.
- The MoU will take effect for 5 years from 2019 to 2024.

<Source: Ministry of Culture, Sports and Tourism, 28 Jun>

○ **IFC/WB to disburse USD 300M to finance Indonesian tourism**

- The International Finance Cooperation (IFC) of the World Bank Group decided to disburse USD 300 million to finance private corporation seeking to engage in Indonesia's tourism sector for the fiscal year from July 2019 to June 2020.
- IFC has committed to supporting the Indonesian government's efforts to accelerate tourism development in key destinations beyond Java and Bali.

<Source: The Jakarta Post, 13 Jun>

3-2. Indonesia

○ **Indonesia teams up with TikTok to boost tourism**

- Indonesia's Ministry of Tourism and short video app TikTok announced that they are teaming up to promote ten must-see Indonesian destinations.
- The Indonesian government banned TikTok in July 2018, saying that the app hosted harmful contents. The ban was lifted after TikTok cleared all negative contents.

<Source: kr-asia.com, 30 Apr>

3-3. Singapore

○ **STB signs a MoU with Alibaba Group**

- The Singapore Tourism Board (STB) signed a Memorandum of Understanding (MoU) with Alibaba Group to drive visitor arrivals and spending.
- The scope of the MoU includes co-developing joint marketing campaigns and content by collaborating on inbound Chinese travelers analytics and insights.

- The two sides will jointly develop tour contents targeting young families and post-90s young professionals in China.
- The new MoU opens up new opportunities to expand STB's collaborations with other businesses in the Alibaba ecosystem.

<Source: Singapore Tourism Board, Apr 16 >

○ STB launches 「Singapore Tourism Accelerator」

- The Singapore Tourism Board (STB) is calling for local and international companies to join the Singapore Tourism Accelerator.
- Singapore Tourism Accelerator will run for two years with the aim of developing solutions to long-standing issues as well as new ideas that will transform the tourism sector.
- The Accelerator was first announced during 2019 Tourism Industry Conference as the Singapore Tourism Incubator.
- The selected 12 companies will go through workshops and informal sharing sessions to help refine and identify directions for the Singapore's tourism sector and they will also be working

with established industry players such as Expedia Group, Singapore Airlines, and Marina Bay Sands.

- Companies that are selected in the final stage will receive funding support of up to USD 25,000 for each.

<Source: Singapore Tourism Board, Jun 21>

3-4. Malaysia

○ Tourism Malaysia sends the trade delegation to New Zealand

- A travel trade mission led by the Director General of Tourism Malaysia was deployed to Auckland on 11 April.
- The travel trade mission focused on the specific task of promoting Malaysia as the most preferred tourism destination for New Zealanders based on mutual connections between the two sides such as multi-ethnic population and cultural diversity.
- The delegation stressed that Malaysia offers multi-faceted tourism contents from Kuala Lumpur, a shopping heaven, to Borneo's native jungles.
- The ultimate goal is to attract quality foreign direct investment and

contribute to the growth of Malaysia through development of its economic environment and tourism policy.

<Source: Tourism Malaysia, 11 Apr>

○ **New Initiatives to Boost Middle East Arrivals in Malaysia**

- The Minister of Tourism, Arts and Culture witnessed the signing of the Joint Tactical Campaign between Tourism Malaysia, Malaysia Airports and Air Arabia in conjunction with the Arabian Travel Market (ATM) 2019.
- This campaign will be implemented as a part of the Joint International Tourism Development Programme (JITDP).
- In particular, Air Arabia is the first low cost carrier that connects the Middle East and Malaysia. It appears that this service will provide travelers from Middle Eastern countries with reasonable travel options.

<Source: Tourism Malaysia, Apr 30>

○ **Malaysian tourism revenue records a positive growth in the first quarter of 2019**

- The tourism industry of Malaysia recorded a positive growth in the first

quarter of 2019 with tourist expenditure registering an increase of 16.9% to reach RM 21.4 billion (USD 5.17 billion) compared to last year.

- Tourist arrivals to Malaysia recorded an increase of 2.4% in the first quarter of 2019 and the short-haul market such as ASEAN countries increased by 1.9%. Meanwhile, the share for the medium-haul market during the same period recorded an 8.6% increase of arrivals driven mainly by China, Korea, Japan, India, and Pakistan, and the share of long-haul market decreased by 3.6%.
- The average length of stay (ALOS) in Malaysia saw an improvement from 4.2 nights in 2018 to 6.0 nights in 2019.
- It is expected that such upward trends will continue for a while along with the promotional activities of Visit Malaysia 2020.

<Source: Tourism Malaysia, 29 May>

3-5. Thailand

- **TAT and Ministry of Commerce sign 「Trade and Tourism Alliance」 MOU**

- The Tourism Authority of Thailand (TAT) recently signed a “Trade and Tourism Alliance” memorandum of understanding (MOU) with six departments of the Ministry of Commerce (MOC) to integrate development strategies and marketing promotions while establishing links between trade and tourism and the six MOC departments participating included the Office of the Permanent Secretary, Department of Foreign Trade, Department of Internal Trade, Department of Intellectual Property, Department of Business Development, and Department of International Trade Promotion.
- The move also endeavours to support and facilitate services on trade and investment information plus activities deemed beneficial for the expansion of international trade as well as tourism promotion and development.
- Minister of Tourism and Sports Weerasak Kowsurat said that tourism continues to play an important role in the country’s economic development

and the government will focus on sustainable tourism development and income distribution to local communities.

<Source: tatnews, 24 Apr>

○ **Thailand extends free visa-on-arrival for 29 countries**

- The Royal Thai Government first approved the extension of the visa-on-arrival fee waiver for citizens of 20 countries from November 15, 2018 to January 14, 2019, and further extended the measure to April 30, and for another 6 months until 31 October.
- List of 20 countries: Bulgaria, Taiwan, Cyprus, Ethiopia, Fiji, India, Kazakhstan, Latvia, Lithuania, Maldives, Malta, Mauritius, Papua New Guinea, Romania, San Marino, Saudi Arabia, Ukraine, Uzbekistan, and Bulgaria.

<Source: Thailand Business News, 8 May>

○ **TAT and Alipay sign letter of intent**

- The Tourism Authority of Thailand (TAT) and Alipay signed a Letter of Intent (LoI) to form a long-term strategic partnership that

would offer Chinese tourists more product and service options while visiting Thailand.

- Alipay will provide more efficient and convenient payment method via its platform and help Thai local merchants improve their services and better supporting the needs of the Chinese travelers.

<Source: tatnews, 27 May>