

Summary of the 2018-19 Strategic Directions and Initiatives for Cruise Tourism Development in Hong Kong

Introduction

Our vision in the development of cruise tourism in Hong Kong is to continue to develop Hong Kong as an international cruise hub in the region, with the missions to support the development of diversified source markets and cruise tourism products, consolidate Hong Kong as an international cruise destination, capture the growth trend of international cruise tourism, as well as to sustain the balanced and healthy growth momentum of cruise tourism in Hong Kong.

2. With the rapidly-changing landscape and conditions of the international cruise market, the Government sets and reviews the strategic directions and initiatives on cruise tourism development in Hong Kong from time to time. Such strategic directions and initiatives were reflected and promulgated every year in the Government's Policy Addresses, Policy Agendas as well as Government Budgets. In taking forward the strategic directions for developing cruise tourism, the Government has been working closely with the Hong Kong Tourism Board ("HKTB"), cruise lines, the travel trade and other stakeholders in specific strategic initiatives.

The Strategic Planning Process

3. The Government commenced the strategic planning process for the "2018-19 Strategic Directions and Initiatives for Cruise Tourism Development" in the second half of 2017. We have leveraged on various platforms including the Advisory Committee on Cruise Industry ("ACCI"), the Tourism Strategy Group as well as other consultation sessions (parties invited to attend included the hotel sector, retail sector and tourist attractions) in seeking the input from the cruise tourism trade and other stakeholders.

4. Having considered the views from the cruise tourism trade and other stakeholders, the "2018-19 Strategic Directions and Initiatives for Cruise

Tourism Development” was endorsed by the ACCI in early 2018 with details as follows.

Strategic Directions

5. There are four main strategic directions that the Government would pursue to drive the development of cruise tourism in Hong Kong –

- (I) Driving more ship deployment
- (II) Cultivating Hong Kong as a cruise destination
- (III) Diversifying cruise tourism market
- (IV) Elevating Hong Kong’s profile in the international cruise trade

Strategic Initiatives

6. To steer the development of cruise tourism towards the abovementioned strategic directions, the Government implements specific strategic initiatives, ranging from providing facilitation to allocating funding to the HKTB to launch support schemes for the trade.

7. In 2018-19 Budget, the Government would allocate a total of \$28.4 million to promote the development of cruise tourism in Hong Kong, including an additional provision of \$14 million to HKTB to support the following initiatives –

- (i) ***promote “fly-cruise” tourism in collaboration with the trade***
 - The “fly-cruise” promotion programme was launched by HKTB with additional resources allocated under the 2016-17 Budget, and was continued in 2017-18 to drive fly-cruise passengers to Hong Kong in different source markets.
 - The initiative was very effective. The number of non-locals

and non-Mainland cruise passengers turnaround throughput in Hong Kong as a whole increased from around 128,000 in 2016 to 187,000 in 2017 (increased by 46%). The initiative would continue in 2018-19.

(ii) *develop and promote “rail-cruise” tourism in collaboration with the trade*

- The upcoming commissioning of the Guangzhou-Shenzhen-Hong Kong Express Rail Link would shorten the travelling time between Hong Kong and many cities in the Mainland and open up the opportunities of wider source markets in the Mainland. HKTb will step up promotion in major cities along the high speed rail network and would start to collaborate with the trade to launch promotion programmes to package and promote “rail-cruise” products.

(iii) *leverage on Hong Kong’s strength in terms of tourist attractions to promote Hong Kong as a cruise destination and penetrate deeper into the source markets in Southern China*

- This initiative was first launched by HKTb with additional resources allocated under the 2017-18 Budget to encourage collaboration between cruise lines and attractions in Hong Kong to launch attractive “cruise & attractions” bundles. The initiative was well-received by the trade and would continue in 2018-19.

8. Apart from the initiatives mentioned above, HKTb’s other major initiatives in 2018-19 for promoting cruise tourism include –

(i) *raising consumer demand for cruise travel and develop cruise markets*

- Raise consumers’ interest in and demand for cruise travel by launching publicity and promotion campaigns targeting consumers in various source markets.

- Cooperate with cruise companies to promote cruise travel as a part of “Meetings, Incentive, Conventions and Exhibitions” (MICE) programme in Hong Kong.
- (ii) ***strengthening regional collaboration through the Asia Cruise Cooperation (ACC)***
 - Strive to expand the ACC by inviting more ports in the region to participate, while at the same time enlarge the scope of collaboration. The ACC will reach out to consumers through joint promotion in key source markets, with a view to inducing more consumers to choose cruise travel products that cover the ACC ports, in particular Hong Kong.
- (iii) ***encouraging cruise companies to include Hong Kong in their cruise itineraries***
 - Strengthen ties with the management of international cruise companies, in particular those that are interested in developing the Asian market, as well as to introduce to them the latest situation and development potential of Hong Kong in cruise tourism.

9. In 2018-19, the Government would implement the initiatives as set out above and review the strategic directions and initiatives from time to time, in order to ensure that the development of cruise tourism in Hong Kong could keep up with the dynamic market environment.

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April 2018***