

ITEM FOR FINANCE COMMITTEE

**HEAD 145 – GOVERNMENT SECRETARIAT :
ECONOMIC DEVELOPMENT AND LABOUR BUREAU
(ECONOMIC DEVELOPMENT BRANCH)**

**Subhead 700 General non-recurrent
Item 016 A “Hospitable Hong Kong” Campaign**

Members are invited to approve an increase in the approved commitment from \$9.6 million by \$12.8 million to \$22.4 million to extend the “A Hospitable Hong Kong” Campaign for about two years.

PROBLEM

We need to continue our efforts to improve Hong Kong’s image as a tourist-friendly destination in order to further enhance Hong Kong’s tourism development and our position as a premier tourist destination in Asia.

PROPOSAL

2. The Secretary for Economic Development and Labour proposes to extend the campaign, entitled “A Hospitable Hong Kong”, (the Campaign) for about two years beyond mid-2004 at an estimated cost of \$12.8 million.

JUSTIFICATION

3. The quality of service provided to visitors is an increasingly important aspect of their experience in any tourist destination. Recognising this, in 2001 the Tourism Commission launched a territory-wide public education campaign, entitled “A Hospitable Hong Kong”, to enhance public awareness of the importance of the tourism industry to the Hong Kong economy and to foster a hospitable culture in the community. The Campaign, with a commitment of \$9.6 million approved by the former Secretary for the Treasury under authority delegated by this Committee, currently comprises the following three elements –

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<i>Elements</i>	<i>Expenditure (\$ million)</i>
(a) Publicity aimed at the general community (from 2001 to 2004)	4.8
(b) Hong Kong Young Ambassador Scheme (HKYAS) (from 2001 to 2004)	3.2
(c) Education kit for secondary school students (from 2002 to 2003)	1.6
Total	9.6

Encl. Details of each of these elements are set out in the Enclosure.

4. As of the end of April 2004, the commitment has an unspent balance of about \$1 million. The balance will be used to continue existing publicity and for the HKYAS 2003-04 (ending in August 2004).

5. The prime objective of the Campaign is to promote a hospitable culture in the community. We are pleased that the Campaign has garnered particular interest amongst youngsters following the launching of the HKYAS. Since the introduction of the Scheme in 2001, a total of 484 Ambassadors have been trained and have contributed over 2 040 service hours to spread the message of a hospitable culture in Hong Kong and overseas. This project is particularly important because young people are the future leaders of the community and can influence their families and peers. The general awareness of the public has been further enhanced by the broadcast of a tourism-themed television (TV) Quiz Game Show (“Be a Good Host Hunt”) from September to December 2001 and Announcements of Public Interest (API) from January 2003 to now.

6. With further extension of the Mainland’s Individual Visit Scheme and anticipated growth in other key markets including the USA, Europe, Australia and New Zealand, plus the target opening of the Hong Kong Disneyland in 2005, Hong Kong must gear itself up to receive a growing number of visitors in the next few years. We see a need to sustain public awareness of the importance of a hospitable culture in the community. We therefore propose to extend the Campaign for about two years at an estimated cost of \$12.8 million. The additional provision will be used to continue with effective ongoing projects directed at the general public as well as to undertake new worthwhile initiatives for the promotion of a hospitable culture in specific service sectors. These projects are outlined below.

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(a) **HKYAS**

Building on current achievements, we plan to continue the running of the HKYAS for two years beyond August 2004, with an annual intake of about 200 Young Ambassadors. The continuation of the HKYAS will help to sustain awareness of the importance of a hospitable culture in an important segment of our community. Target participants are students aged 16 or above, studying either in Hong Kong or overseas.

(b) **General Publicity Reaching the Community**

In view of the positive feedback from the general public on the last API which started broadcast in January 2003, we plan to produce a new series of APIs to further promote a hospitable culture in Hong Kong through TV broadcast and various media channels offered by public transportation networks. The new series of APIs will aim at sustaining the impact of the Campaign at the community level.

(c) **Service Quality Study**

In order to ensure that all sectors of the tourism industry work towards achieving and maintaining the highest standards, it is necessary to take stock of the situation in each sector. We plan to commission a service quality study covering key sectors including the hotels, the travel trade and the retail sector. The study will assess the standards already achieved, and identify strengths and weaknesses in performance. It will take about one year to complete the study. The study results, which will be compiled by individual sectors, will help the industry take steps to address the weak areas and build on the strong ones, thereby upgrading the service quality in our tourism industry as a whole. The study will be undertaken by a consultant and the findings will be shared with the industry. As part of this exercise, we intend to look into the service standards of Government departments that have direct contact with tourists.

(d) **Service Quality Seminars and Campaigns**

To tie in with the service quality study referred to above, we plan to conduct a series of sector-specific seminars and campaigns in collaboration with the relevant service sectors to promote excellence in service quality. We will cover businesses including hotels, travel trade and the retail sector. The seminars and campaigns will provide a direct channel to facilitate effective communications and exchanges of views among industry stakeholders, particularly among those who

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have direct contact with visitors. They will also be used to disseminate the study findings to facilitate follow up by the industry. This will be supplemented by promotional campaigns which help to raise awareness within the sector and encourage further improvement.

FINANCIAL IMPLICATIONS

7. Based on actual experience in running the existing Campaign, we estimate that additional funding of \$12.8 million in total is required to extend the Campaign for about two years. A breakdown by projects is as follows –

<i>Projects</i>	<i>Estimated Cost (\$ million)</i>
(a) HKYAS	1.8
(b) Production and broadcast of a new series of APIs	1.0
(c) Service quality study	5.0
(d) Sector-specific seminars and campaigns promoting quality service	5.0
Total	12.8

As regards (a), the expenditure is mainly for the payment to non-government organisation(s) for the arrangement of training and service opportunities for about 400 Young Ambassadors over two years. On (b), the expenditure is the estimated cost of the production of a series of APIs. On (c), the expenditure is to cover the estimated cost for consultancy fees. Finally, (d) is mainly the estimated cost for organising a number of seminars and campaigns and for producing related publicity materials.

8. We expect the cash flow of the additional funding to spread over three years up to 2006-07, as follows –

(\$ million)			
2004-05	2005-06	2006-07	Total
8.05	4.05	0.7	12.8

/BACKGROUND

BACKGROUND INFORMATION

9. In his 2004 Budget Speech, the Financial Secretary announced the intention to provide additional funding for various tourism promotion and training activities (including the current proposal). He also pledged that the Administration would continue to promote a hospitable culture among those working in the tourism sector in particular, and in the community generally.

10. We briefed the Legislative Council Panel on Economic Services on 22 March 2004 on the proposed extension of “A Hospitable Hong Kong” Campaign for two years. Members supported the proposal.

Economic Development and Labour Bureau
May 2004

Existing Projects under the “A Hospitable Hong Kong” Campaign

Project	Launch Year	Brief Description
General Publicity Reaching the Community	September 2001	<p>The Tourism Commission (TC) has used the mass media effectively to maximise the publicity impact at the community level. A television (TV) Quiz Game Show named “Be a Good Host Hunt” was broadcast on TVB every Sunday night from September to December 2001. The average rating points for this show were 19.6 representing around 1 300 000 viewers, while the average station sharing percentage is 75.8%. This Quiz Show generated considerable interest not just among its viewers but also the press. A number of spin-off articles on the show appeared in newspapers and magazines.</p> <p>A short TV series comprising eight episodes featuring visitors’ experience in Hong Kong was broadcast as Announcements of Public Interest on major TV channels in Hong Kong and in some prominent locations, such as TV screens at World Trade Centre, the Kowloon Motor Bus Customer Service Centre at Star Ferry Terminal and MTR stations. The core message of the series is intended to encourage Hong Kong people to be hospitable to visitors, thereby, creating a friendly image for “Asia’s World City”. This series is being shown at the airport and in other prominent locations.</p>

<p>Hong Kong Young Ambassador Scheme (HKYAS)</p>	<p>September 2001</p>	<p>The TC introduced the HKYAS to boost hospitality awareness amongst youths. Participants were given intensive training during the summer and given the opportunity to participate in tourism promotion activities. They were also stationed at various tourist spots to introduce the attractions to the tourists and give assistance as necessary, participated in mega events organised by the Hong Kong Tourism Board (HKTB), and organised promotional activities in their schools.</p> <p>A total of 484 participants, who were local students or Hong Kong students at overseas secondary and tertiary institutes, successfully completed training and were appointed as Young Ambassadors (YAs) between 2001 and 2003. They have contributed over 2 040 stationing service hours, organised 228 promotional activities locally and 61 overseas, and participated in 17 mega events, such as New Year Parades and Rugby Sevens. Currently, we have 246 active YAs to help spread the message of a hospitable culture in Hong Kong or overseas.</p>
<p>Education kit for secondary students</p>	<p>December 2002</p>	<p>To enable the message of hospitality to reach a large population of young people, the TC has in consultation with the trade, the HKTB and the then Education Department, designed and published 2 500 tourism education kits for distribution to all secondary schools and relevant youth organisations in December 2002. The kit serves as reference materials to assist classroom teaching and has a special element relating to extra-curricular activities. A new game “Can I help you” was developed as part of the kit to make the learning experience more effective.</p>