

SINGAPORE EXCEEDS ITS TARGET TOURISM RECEIPTS



According to initial estimates, Singapore's tourism industry is expected to show strong results in 2023, with both international visitor arrivals and tourism receipts rising in line with the growing global travel and tourism sector.

The estimated number of international visitor arrivals is 13.6 million, or about 71% of 2019. This figure aligns with the Singapore Tourism Board's (STB) prediction of between 12 and 14 million tourists.

The estimated tourism receipts are expected to reach S\$24.5 billion (US\$18.3 billion) to S\$26.0 billion, which exceeds the STB's forecast range of S\$18 billion to S\$21 billion set for 2023. This preliminary figure is approximately 88% to 94% of the tourism receipts seen in 2019.

Melissa Ow, the Chief Executive of the Singapore Tourism Board, has expressed satisfaction with the robust performance of the tourism industry in 2023. This performance is a promising sign of recovery for tourism, especially with the increasing flight capacity and growth in international travel demand.

Ow highlighted that Singapore's thriving pipeline of business and leisure offerings demonstrates the country's continued appeal as an attractive and trusted tourism destination. Strong demand from various Singapore's key markets drove visitor arrivals, with Indonesia accounting for 2.3 million, China for 1.4 million, and Malaysia for 1.1 million. Other key markets that posted buoyant recovery included Australia, South Korea, and the U.S.

Tourism receipts in Singapore have seen a promising increase from January to September 2023, as they have either exceeded or recovered almost to pre-pandemic levels (the same period in 2019). During the first nine months of 2023, China, Indonesia, and Australia emerged as the top spending markets, contributing S\$2.3 billion, S\$2.2 billion, and S\$1.5 billion, respectively, in tourism receipts (excluding sightseeing, entertainment, and gaming).

Moreover, the visitors are found to be spending more time in Singapore than they did before the pandemic. In 2023, the average length of stay was recorded to be approximately 3.8 days, an increase from 3.4 days for the same period in 2019.

The hotel industry has shown a remarkable performance in ARR (average room rate) and RevPAR (revenue per available room), surpassing the 2019 levels. ARR has reached S\$282, approximately 128% of the 2019 ARR, while RevPAR has reached S\$226, approximately 118% of the 2019 RevPAR. However, the AOR (average occupancy rate) was recorded at 80.1% in 2023, which is lower than the 86.9% recorded in the same period in 2019.

Singapore's position as a regional hub for cruises has been strengthened, with a record of two million passengers arriving through over 340 ship calls since the Marina Bay Cruise Centre Singapore opened in 2023. The Singapore Tourism Board (STB) anticipates the tourism sector to continue its recovery in 2024, with improved global flight connectivity and capacity and the

implementation of mutual 30-day visa-free travel between China and Singapore driving growth. **In 2024, international flight capacity is expected to continue to increase and reach or approach pre-pandemic levels for most of Singapore's key source markets.**

International visitor arrivals in 2024 are expected to range between 15 to 16 million, resulting in approximately S\$26 billion to S\$27.5 billion in tourism receipts. However, the pace of travel recovery may be impacted by various factors, such as geopolitical uncertainty, the state of the global economy, and the continued restoration of flight connectivity.

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