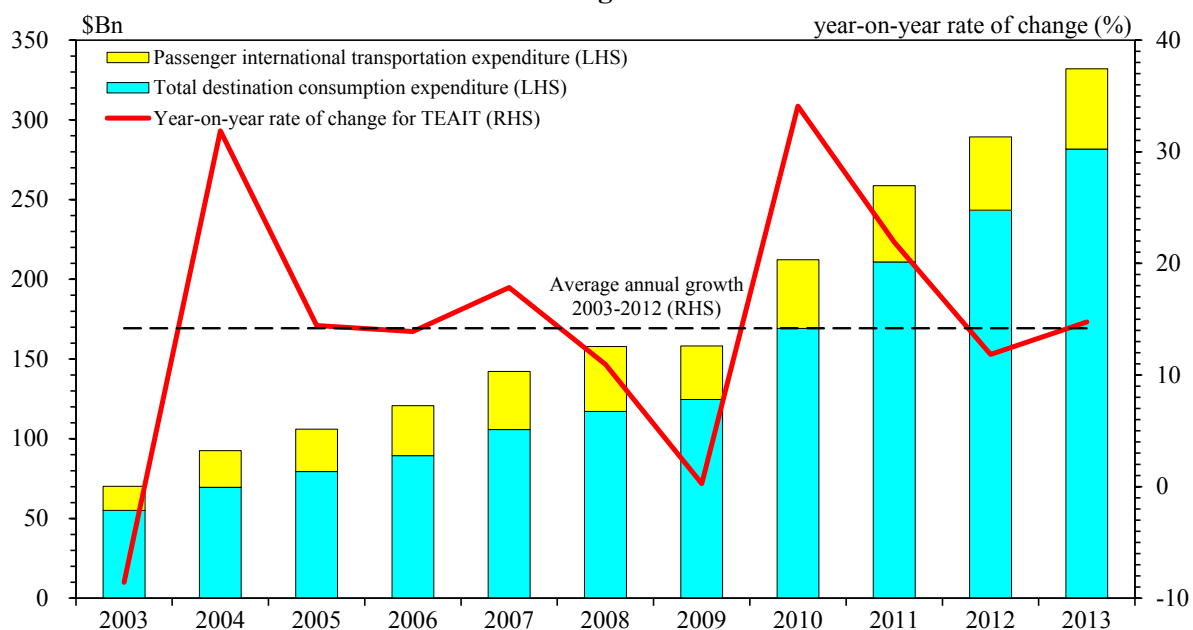


Box 3.1

Tourist spending in 2013

In tandem with the strong influx of visitor arrivals, tourist spending in Hong Kong has been recording solid growth in the past decade or so. Data from the Hong Kong Tourism Board showed that total tourism expenditure associated to inbound tourism (TEAIT)⁽¹⁾ rose by another 15% to a record high of \$332 billion in 2013 (*Chart 1*). While moderating from the surge during 2010-2012, this was still an impressive growth and comparable to the long-term average annual growth of 14% over 2003-2012. Within the total, destination consumption expenditure of all visitors (comprising overnight visitors, same-day in-town visitors and other visitors including cruise-in/cruise-out passengers, servicemen, aircrew members, transit/transfer passengers) leapt by 16% to \$282 billion in 2013. Passenger international transportation expenditure also went up by 10% to \$50 billion.

Chart 1: Tourism expenditure associated to inbound tourism (TEAIT) recorded solid growth in 2013



Analysed by type of passenger, destination consumption expenditure by same-day in-town visitors surged by 29% in 2013, supported by increases in both the number of such visitors (+15%) and per capita spending (+12%). By comparison, the rise in total spending by overnight visitors, at 12%, was less rapid, as the rises in visitor arrivals (+8%) and per diem spending (+8%) were also accompanied by a shorter length of stay (-4%, from 3.52 nights to 3.38 nights) (*Table*).

- (1) TEAIT comprises destination consumption expenditure and passenger international transportation expenditure. Destination consumption expenditure is the sum of payments made by all inbound visitors and travellers for goods and services they consume in Hong Kong. Passenger international transportation expenditure represents the receipts of Hong Kong based carriers for the cross-boundary transportation of non-resident visitors by air, sea or land.

Box 3.1 (Cont'd)**Table : Performance indicators of overnight and same-day in-town visitors in 2013**

	Overnight visitors	Same-day in-town visitors
Visitor spending (\$ billion)	208.4 (12.2%)	68.0 (29.3%)
Number of visitors (million)	25.7 (8.0%)	28.6 (15.4%)
Per capita visitor spending (\$)	8,123 (3.9%)	2,378 (12.1%)
Per diem spending (\$)	2,404 (8.3%)	n.a.
Length of stay (number of nights)	3.38 (-4.1%)	n.a.

Notes : Spending by other visitors (e.g. cruise-in/cruise-out, transit passengers) is not included in the table.
 Figures in brackets represent the year-on-year rates of change.
 (n.a.) Not applicable.

Expenditure on shopping was a major driving force for the increase in tourist spending. In 2013, spending on shopping increased the fastest, by 15% for overnight visitors and a more impressive 30% for same-day in-town visitors (**Chart 2**). Indeed, both overnight and same-day in-town visitors spent the most on shopping, accounting for 61% and 91% of their destination consumption expenditure respectively. Meanwhile, spending on hotel bills, meals outside hotel, and other items (e.g. entertainment, tours) increased by 3%, 12% and 12% respectively for overnight visitors, and by 24%, 17% and 25% respectively for same-day in-town visitors.

Chart 2 : Increase in spending by category in 2013