



T R E N D S

High-Yield Tourism Trends Report

Asia Edition – June 2024

A quarterly exploration of the evolving experiential tourism landscape in Asia, focusing on innovative strategies to attract high-value travelers who contribute to sustainable



Introduction



Welcome to the first edition of the High-Yield Tourism: Asia Trends Report

Our new quarterly report explores some of the intriguing ways that experiential tourism is changing across this vast region.



Explore the latest trends and innovations in high-yield tourism

Discover how destinations and businesses are adapting to attract discerning, high-value visitors who contribute more to the local economy.



Stay ahead of the curve in this fast-evolving tourism landscape

Gain insights and practical takeaways to inform your high-yield tourism strategy and stay competitive in Asia's thriving travel market.

Join us as we dive into the most compelling developments shaping high-yield tourism in Asia.

Priorities After the Pandemic

○ Early 2020

Tourism operators focused on regaining lost visitors and revenues to pre-pandemic levels

○ 2023

Competition between destinations intensified as recovery efforts plateaued

○ Ongoing

Providers invest in new experiences, infrastructure and workforce training to attract discerning travelers

○ 2021-2022

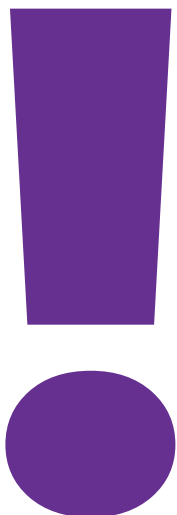
Destinations offered heavy discounts and incentives to attract tourists back

○ 2024

Destinations recognized the need to shift towards a high-yield tourism strategy

○ Ongoing

Sustainability programs are enhanced to minimize tourism's environmental impact



To achieve balanced and sustainable growth, the tourism industry must innovate to inspire attracting high-yield travelers. A crucial, yet often overlooked segment, high-yield tourists are lifestyle-oriented, contribute more per capita to the local economy and support the development of higher quality services and infrastructure.



A Yield-Driven Strategy in Singapore



New Lifestyle Experiences

Singapore will develop distinctive and immersive experiences to appeal to high-yield travelers seeking unique cultural and lifestyle offerings



Travel Infrastructure

Investments in world-class transportation and accommodation options will enhance connectivity and comfort for discerning visitors



Workforce Upskilling

Training and development programs will ensure Singapore's tourism workforce is equipped to deliver exceptional service and personalized experiences



Sustainability Initiatives

Singapore's enhanced Tourism Sustainability Programme will help operators adopt green certifications, improve reporting, and manage carbon emissions



By prioritizing the development of new lifestyle experiences, travel infrastructure, workforce upskilling, and sustainability initiatives, Singapore is positioning itself to attract and retain high-yield travelers who demand exceptional, authentic, and eco-conscious experiences.

Thailand's 'Soft Power' Strategy

5Fs Food, films, fashion, fighting and festivals



Soft Power Branding

In late 2023, Thailand launched a program to promote 11 distinctive soft powers that showcase its diverse, creative and fun-loving national identity. Tourism is one of the key soft powers, alongside art, books, design, fashion, festivals, films, food, gaming, music and sports.

Expanded Soft Power Vision

In 2024, Thailand has further expanded its soft power strategy to highlight multi-faceted travel experiences that will encourage visitors and investors to spend more time exploring and discovering the country. This is supported by extending visa-free access and increasing the maximum length of stay on a tourism visa.

Inaugural Soft Power Forum

In June 2024, Bangkok hosted Thailand's first International Soft Power Forum - a three-day event with a dedicated pavilion for each of the 11 soft power industries. This platform showcases Thailand's comprehensive approach to promoting its unique cultural and creative assets as part of its tourism development strategy.

Positioning Thailand as a Leading Destination

By supporting soft power entrepreneurs to innovate, Thailand plans to position itself as a leading destination for tourists from around the world, according to Thai Prime Minister Srettha Thavasin. Tourism is at the forefront of the government's socio-economic development policy.



Thai Prime Minister Srettha Thavasin says tourism "is front and centre" of the government's socio-economic development policy. By supporting soft power entrepreneurs to innovate, Thailand plans to position itself as "a leading destination for tourists from around the world."

Tourism Taxes and Visitor Management in Japan

Japan has witnessed a sustained surge of visitors, with over 11.5 million visitors in the first four months of 2024. Destinations across Japan are experiencing social impacts caused by large numbers of visitors, prompting discussions about measures such as differential pricing for domestic and international visitors, increasing hotel taxes, and setting daily visitor quotas.

Differential Pricing

Some destinations are considering implementing different fees for domestic and international visitors to popular attractions like Himeji Castle.

Hotel Taxes

Cities are proposing to increase hotel taxes for visitors to help manage the influx of tourists and fund infrastructure improvements.

Visitor Quotas

Setting daily quotas for the number of visitors allowed at popular attractions is being explored as a way to mitigate overcrowding and preserve the visitor experience.

Comparison of different approaches to limiting visitor numbers at popular attractions



An excessive volume of tourists in a destination is a supply and demand issue, which can't be solved by taxing the demand side without tackling the supply lines.

Vintage EV Tour in Luang Prabang, Laos

Tourists can take tours around the historic city of Luang Prabang in eye-catching 'vintage' electric vehicles (EVs).



Emission-free Sightseeing

The EV tours offer a quiet, weatherproof, and emission-free way for visitors to experience Luang Prabang's beauty and heritage.

EV Fleets Expanding

Ride-sharing taxi operators in Vientiane, Luang Prabang, Savannakhet, and Pakse are shifting towards using all or mostly EVs and e-TukTuks.

Growing Demand for EVs

After the COVID-19 pandemic, Laos experienced a fuel crisis, leading many people to shift towards more sustainable electric vehicles.

Asian Automakers Invest

Chinese, Korean, and Vietnamese automakers are increasing the supply of EVs in Southeast Asia to meet the rising demand for zero-emission vehicles.



Demand for zero-carbon cars which reduce air and noise pollution will continue to rise. Chinese, Korean and Vietnamese automakers are stepping up the supply of EVs in South East Asia. Enterprising tour operators, hotels and car hire firms are already building their fleets.

Dive Tourism in the Philippines

The Philippines' Department of Tourism revealed that dive tourism generated USD1.3 billion for the national economy in 2023. To tap into growing demand, it will promote 120 dive destinations across the archipelago in 2024, highlighting the country's biodiversity and underwater adventure.

Biodiversity

The Philippines is home to more than 500 species of corals and 2,000 species of fish, making it a hotspot of biodiversity.

Sustainable Tourism

Strategic investments in infrastructure and sustainable tourism initiatives will help elevate the country's standing as a dive tourism destination while protecting marine eco-systems.



Increase in Coral Species Diversity

Growth in Dive Tourist Arrivals (2023)

Sustainable Dive Site Certifications

Coral Reef Protection Investments



As Asian travel patterns start to crystallise after the pandemic, destinations are prioritizing niche segments that attract active visitors to stay longer and experience differently. Investing in precision-based sustainable development is vital to protect marine eco-systems.



Rail Tourism in Springtime

High-Speed Rail Network Expansions

Countries like China, Japan, South Korea, and Taiwan are expanding their high-speed rail networks to connect more destinations and enable seamless rail travel for tourists.

Seasonal Rail Tourism Packages

Destinations are launching new seasonal high-speed rail services and packages to encourage travelers to experience their landscapes and attractions during the spring season.



The surging appeal of overland travel by train will continue to grow. Thailand, Vietnam and Malaysia are among the countries expanding their rail networks to make train tourism easier and more comfortable, and open up access to rarely explored parts of each country.

Thailand, Vietnam, and Malaysia Invest in Rail

These Southeast Asian nations are expanding their rail networks to make train travel more comfortable, accessible, and appealing for both domestic and international tourists.

Unique Rail Experiences

Train tourism is offering travelers distinctive and immersive experiences, such as scenic mountain routes, heritage rail journeys, and overnight sleeper trains between major cities.

Destinations with advanced rail networks, such as China, Japan, South Korea, and Taiwan, are witnessing a renaissance of train tourism. As international tourists return and domestic travelers seek distinctive experiences, high-speed rail services are enabling new travel opportunities.

1 Overnight Trains

Destinations are launching new seasonal high-speed rail services and packages to encourage travelers to experience their landscapes and attractions during the spring season.

2 Seasonal Services

Destinations like China's Yangtze River Delta and South Korea are introducing seasonal high-speed rail services to showcase regional landscapes and attractions.

3 New Routes

Taiwan and Japan have opened new high-speed rail routes, providing access to previously underexplored areas and national parks.

What is High-Yield Tourism?



Economically advantageous model for destinations and travel organizations

High-yield travelers contribute more per capita to the local economy and support the development of higher quality services and infrastructure.



Prioritize quality over quantity

High-yield visitors seek immersive experiences and expect a deep understanding of their preferences.



Poorly defined and often-overlooked segment

This crucial segment offers huge potential to re-balance visitor economy growth by creating a bridge between mass and luxury travel.



Contribute to cultural, social and environmental sustainability

High-yield tourism nurtures inclusive revenue streams by visitors who contribute as much as they spend.



By focusing on the high-yield tourism segment, destinations can foster a more equitable form of tourism that supports local businesses and preserves cultural and natural assets.

The Pursuit of Tourism Growth post Pandemic

In the pursuit of economic recovery from the pandemic, many destinations and tourism businesses have prioritized regaining pre-Covid visitor numbers and revenues. However, this focus on quantity over quality risks reigniting the negative impacts of overtourism. To achieve balanced and sustainable growth, the tourism industry must shift its attention to attracting high-yield travelers – a crucial yet often overlooked segment that offers immense potential for economic prosperity while preserving cultural and natural assets.



Concepts of Tourism Yield



Financial Yield

Measures based on profits, revenues, and profitability, including rate of profit, rate of return on capital, and contribution to gross operating surplus.



Economic Yield

Contribution to value added, employment, and GDP, excluding social and environmental impacts.



Sustainable Yield

Incorporates social, environmental, and economic impacts, considering returns to financial, social, and natural capital.



Different stakeholders prioritize different yield concepts based on their goals and priorities.

High-Yield travelers: Who Are They?

High-yield travelers are a lucrative demographic for the tourism industry, characterized by their affluence, longer stays, and a penchant for immersive, authentic experiences.

They prioritize quality over quantity, seeking out opportunities to connect with local cultures and environments.



Immersive Experiences

High-yield travelers seek immersive experiences, aiming to understand the culture, traditions, and environments they visit, rather than simply checking items off a list.



Meaningful Connections

They strive for deeper connections with the places and people they encounter, often favoring meaningful interactions over leisure and relaxation.



Conscious Travel

High-yield travelers are conscious of their impact on local communities and environments, making efforts to minimize their footprint and engage in sustainable practices.

Enhancing Local Economies



Diverse Spending Patterns

High-yield travelers are known for their diverse spending patterns, which can have a significant impact on local economies. They tend to spend more on luxury accommodations, fine dining, and unique experiences, rather than just the basic necessities.



Supporting Local Businesses

By patronizing local businesses, high-yield travelers help to support the local economy and contribute to the growth and development of the community. This can include everything from small shops and artisanal producers to local tour operators and cultural attractions.



Multiplier Effect

The money spent by high-yield travelers has a multiplier effect, as it circulates through the local economy, creating jobs and generating additional income for residents. This can lead to increased investment, improved infrastructure, and a higher standard of living for the local community.



Economic Sustainability

By targeting high-yield travelers, destinations can achieve greater economic sustainability, as these travelers tend to stay longer, spend more, and contribute to the local economy in a more meaningful way than mass tourism. This can help to reduce the reliance on seasonal or volatile tourism markets.

Supporting Local Economies



Local Accommodations

High-yield travelers often choose to stay in locally-owned accommodations, contributing directly to the local economy and supporting small businesses.



Local Eateries

They prioritize dining at local restaurants and eateries, experiencing authentic cuisine and supporting local culinary traditions.



Local Experiences

High-yield travelers seek out locally-owned and operated tours and experiences, ensuring that their spending directly benefits the local community.

Fostering Cultural Preservation



Preserving Cultural Traditions

High-yield travelers often seek immersive cultural experiences that help preserve traditional practices and rituals. Their interest and participation in local cultural events and activities can contribute to the ongoing transmission of these traditions to future generations.



Supporting Local Artisans

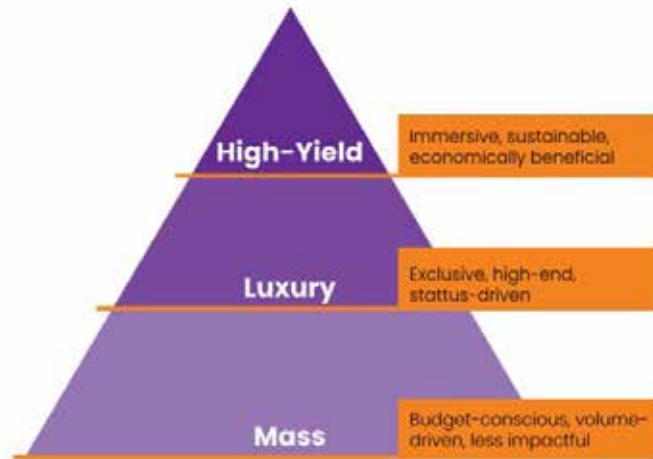
High-yield travelers are more likely to seek out and purchase locally-made crafts, artwork, and other cultural products. This direct economic support helps sustain traditional artisanal practices and ensures the continuation of unique cultural expressions.



Conserving Cultural Heritage

The higher spending power and interest of high-yield travelers can contribute to the preservation and restoration of historic cultural sites, monuments, and landmarks. Their patronage helps fund conservation efforts that safeguard these important symbols of a destination's heritage.

High-Yield vs. Luxury vs. Mass travelers



High-yield travelers seek immersive, sustainable experiences and provide significant economic benefits. Luxury travelers prioritize exclusivity and status, while mass travelers are more budget-conscious and have a less impactful presence. Understanding these distinctions is crucial for destinations to effectively cater to and manage different traveler segments.



High-Yield Travelers

Cater to the unique needs and preferences of high-yield travelers, who seek immersive, sustainable, and economically beneficial experiences. Provide personalized services, curated itineraries, and opportunities to engage with local communities.



Luxury Travelers

Manage tourism to deliver the high-end, exclusive experiences expected by luxury travelers. Offer premium accommodations, fine dining, and access to exclusive activities and events tailored to their preferences.



Mass Travelers

Accommodate the needs of mass travelers, who seek more affordable and standardized tourism offerings. Ensure efficient operations, crowd management, and access to popular attractions and activities to meet the demands of this segment.

Strategic Planning for High-Yield Tourism



Destination Positioning

Destinations focusing on high-yield tourism must carefully position themselves to appeal to this lucrative market. This involves understanding the unique preferences, behaviors, and expectations of high-yield travelers and aligning the destination's offerings accordingly.



Infrastructure Development

Investing in high-quality infrastructure, such as luxury accommodations, fine dining establishments, and world-class attractions, is crucial for catering to the discerning needs of high-yield travelers. Destinations must ensure their facilities and services meet the exacting standards of this segment.



Sustainable Practices

Incorporating sustainable practices into the strategic planning process is essential for destinations targeting high-yield travelers. This includes implementing eco-friendly initiatives, promoting local culture and heritage, and minimizing the environmental impact of tourism activities.



Stakeholder Collaboration

Effective strategic planning for high-yield tourism requires close collaboration among various stakeholders, including government agencies, tourism boards, local businesses, and community organizations. Aligning the interests and objectives of these stakeholders is crucial for developing a cohesive and successful high-yield tourism strategy.

Case Studies: Successful Strategies

Examples of destinations successfully targeting high-yield travelers.



Destination

Bora Bora

French Polynesia

Strategy

Focused on local luxury resorts, eco-tourism, and exclusive experiences

Results

Attracted high-spending visitors from around the world, with average daily spend of \$800+



Queenstown

New Zealand

Marketed adventure tourism, high-end dining, and scenic landscapes

Became a premier destination for affluent travelers, with 30% of visitors classified as high-yield



Tuscany

Italy

Emphasized culinary tourism, wine tasting, and cultural immersion

Saw a 25% increase in high-yield travelers over 5 years, with longer average stays and higher spending

Future Trends in High-Yield Tourism



Sustainability Focus

High-yield travelers are increasingly seeking out destinations and experiences that prioritize sustainability and environmental conservation. This trend is expected to continue, with travelers demanding more eco-friendly practices and responsible tourism initiatives.



Personalized Experiences

High-yield travelers are looking for unique, personalized experiences that cater to their specific interests and preferences. Destinations will need to offer customized itineraries, exclusive access, and bespoke services to meet the growing demand for one-of-a-kind experiences.



Technology Integration

The integration of technology, such as augmented reality, virtual reality, and mobile apps, will play a significant role in enhancing the high-yield traveler experience. Destinations will need to leverage these technologies to provide seamless, immersive, and personalized experiences.

High-Yield Tourism Services



P O D C A S T

High-Yield Tourism Podcast & Newsletter

A podcast providing expert insights and analysis on high-yield source markets, best practices for engagement, and actionable guidance for tourism marketers.



T R E N D S

High-Yield Tourism Trends Reports

A quarterly review of key developments in high-quality tourism, combining detailed updates with practical takeaways to inform marketing strategies.



P O R T R A I T S

High-Yield traveler Portraits Snapshots

Detailed yet easy-to-read profiles of carefully selected and researched high-yield visitor markets, providing valuable insights for targeted marketing efforts.



P L A Y B O O K

High-Yield Tourism Playbook Marketing Toolkits

Tourism Playbooks provide actionable strategies to optimise high-yield markets. Each toolkit enables marketers to diversify their destination's appeal and forge meaningful connections with high-value visitors.

High-Yield Tourism Activation

High-Yield Tourism is about profit growth inclusive for all stakeholders, while balancing economic, cultural and social impacts for long-term resilience.

Marketing Support

Our team is available to support the execution of marketing strategies to increase yield, leveraging deep knowledge and insights into specific high-yield visitor markets.

Strategic Partnerships

We have curated partnerships with leading global and local firms to drive competitive advantages and enhance the value of tourism for high-yield visitors.

Competitive Analysis

Our services include comparative competitor analysis, social media and digital marketing assessments, and tailored recommendations to gain a competitive edge in attracting high-yield travelers.

Latest Podcasts



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