

**For Information on
29 May 2015**

LanDAC ESD SC Paper No. 05/2015

**Lantau Development Advisory Committee
Economic and Social Development Subcommittee**

**Recreation and Tourism Development Strategy for Lantau
- Feasibility Study - Study Approach and Initial Findings**

PURPOSE

1. This paper briefs Subcommittee Members on the main tasks and study approach of the “Recreation and Tourism Development Strategy for Lantau - Feasibility Study” (“the Study”), and presents the initial findings of the Consultant (See **Annex**) to the Members for information and discussion.

BACKGROUND

2. At the Economic and Social Development Subcommittee meeting held on 12 November 2014, Members agreed to commission a short-term study regarding most of the areas intended for recreational and tourism use in Lantau. The main purposes of the Study are to formulate the overall strategy of recreation and tourism development in Lantau, to recommend and shortlist the proposals that boost the recreation and tourism development, as well as to carry out feasibility and preliminary technical assessment.

3. The Study commenced in late March 2015. The Consultant has prepared the study approach and the initial findings of the tourism and recreation market situation based on the Study scope as agreed by the Development Bureau and the relevant bureaux and departments.

MAIN SCOPE OF THE STUDY

4. Main scope of the Study includes:

- Reviewing the recreation and tourism markets and developments;
- Providing a planning framework that indicates the strategic roles and functions of each region;

(Translated Version)

- Exploring and proposing ways to strengthen Lantau's receiving capacity for local, mainland and overseas tourists in order to increase the overall attractiveness of Lantau;
- Identifying opportunities for new and innovative recreation/tourism development;
- Formulating a strategy for recreation and tourism development in Lantau;
- Identifying proposals that boost recreation and tourism development in Lantau;
- Conducting a preliminary feasibility study (including financial viability) and general technical assessment on the related proposals;
- Carrying out a strategic traffic and transport assessment for the recreation and tourism development strategy; and
- Carrying out stakeholder consultation/engagement activities for the recreation and tourism development strategy and the recommended proposals.

STUDY APPROACH

5. Through market analysis, the Study will explore the positioning and planning review, identify opportunities and constraints of Lantau's recreation and tourism development, explore and recommend enhancing Lantau's tourism receiving capacity, and conduct preliminary feasibility study and technical assessment so as to formulate overall strategy of recreation and tourism development for Lantau, which will encompass short, medium and long term development proposals. The Study will fully consider the positioning of relevant ongoing or under planning studies and projects for Lantau to achieve synergy effect among different projects. The Consultant will also make reference to cases of other similar worldwide projects as well as the proposals received from LanDAC Members and the public, such that suitable recreation and tourism development proposals for Lantau can be formulated.

Market Positioning

6. Through market analysis, research and benchmarking the experiences of the local, nearby areas like Pearl River Delta and other areas in providing tourism and recreation facilities, the Study will map out the tourism development trend and identify potential recreation and tourism

development activities. Innovative recreation and tourism suggestions, including those on provision of additional recreation and tourist facilities in country parks, will also be given to help draw up the most suitable recreation and tourism development proposal for Lantau.

Preliminary Feasibility Study and Technical Assessment

7. The Study will carry out preliminary feasibility study (including financial viability) for the identified proposals regarding recreation and tourism. Preliminary technical assessment, including the aspects of traffic and transport, environmental, infrastructure etc. will be conducted for the shortlisted proposals that boost the recreation and tourism development. The Study will also recommend mitigation measures for potential negative impacts that may be generated.

CURRENT PROGRESS

8. The Consultant is currently undertaking market positioning analysis for identification of potential proposals that boost the recreation and tourism development. The initial market condition findings from the Consultant is attached at **Annex**.

9. The Consultant will consult with, and report the Study result to, the LanDAC and its relevant Subcommittee Members.

ADVICE SOUGHT

10. Subcommittee Members are invited to note the content of this paper and give views.

ANNEX

Recreation and Tourism Development Strategy for Lantau - Feasibility Study - Study Approach and Initial Findings

Development Bureau
May 2015

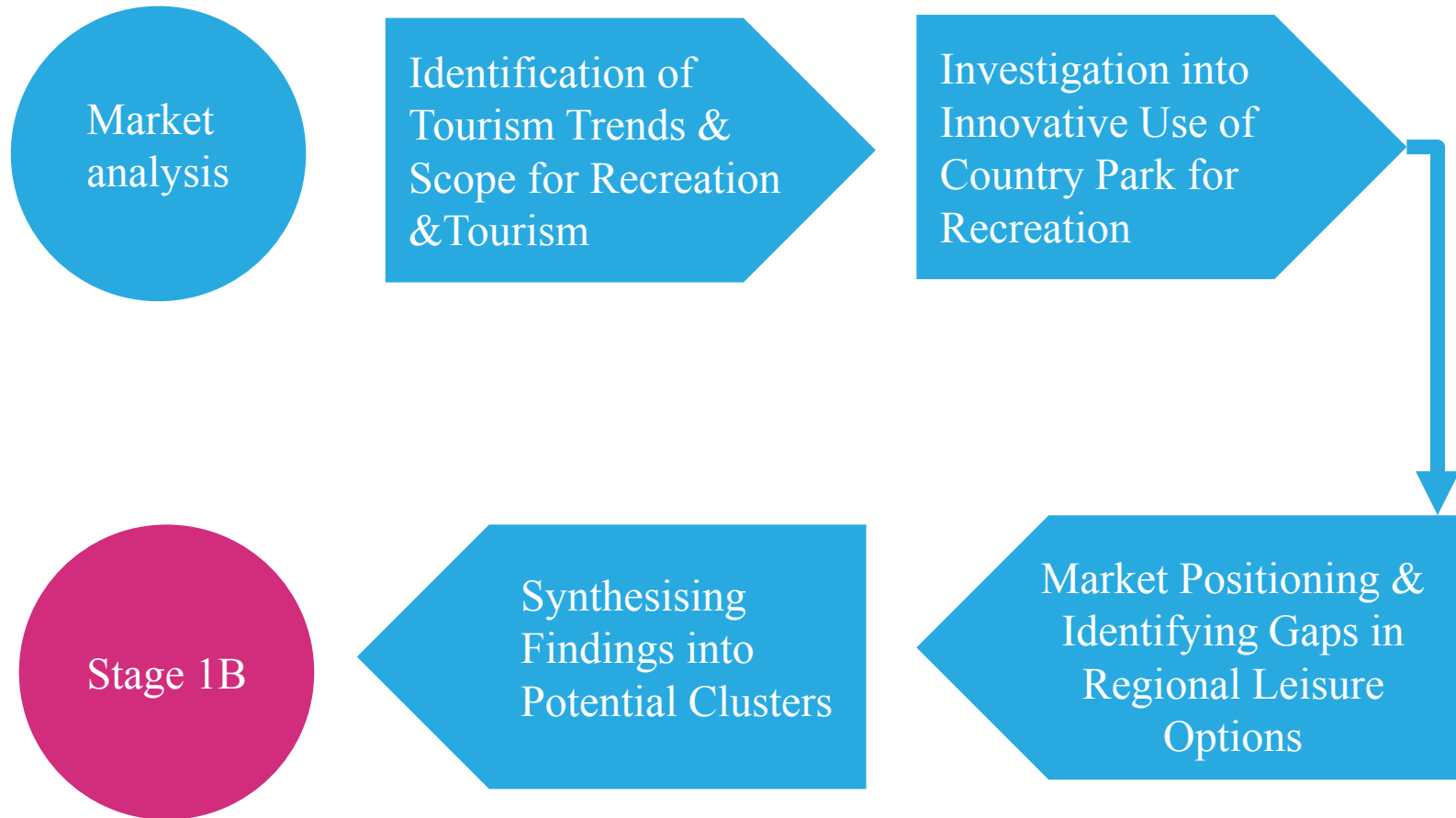
Recreation and Tourism Development Strategy for Lantau - Feasibility Study - Study Approach & Initial Findings

Outline

- Study Approach
- Initial Observations
- Case Studies & Initial Ideas
- Conclusion

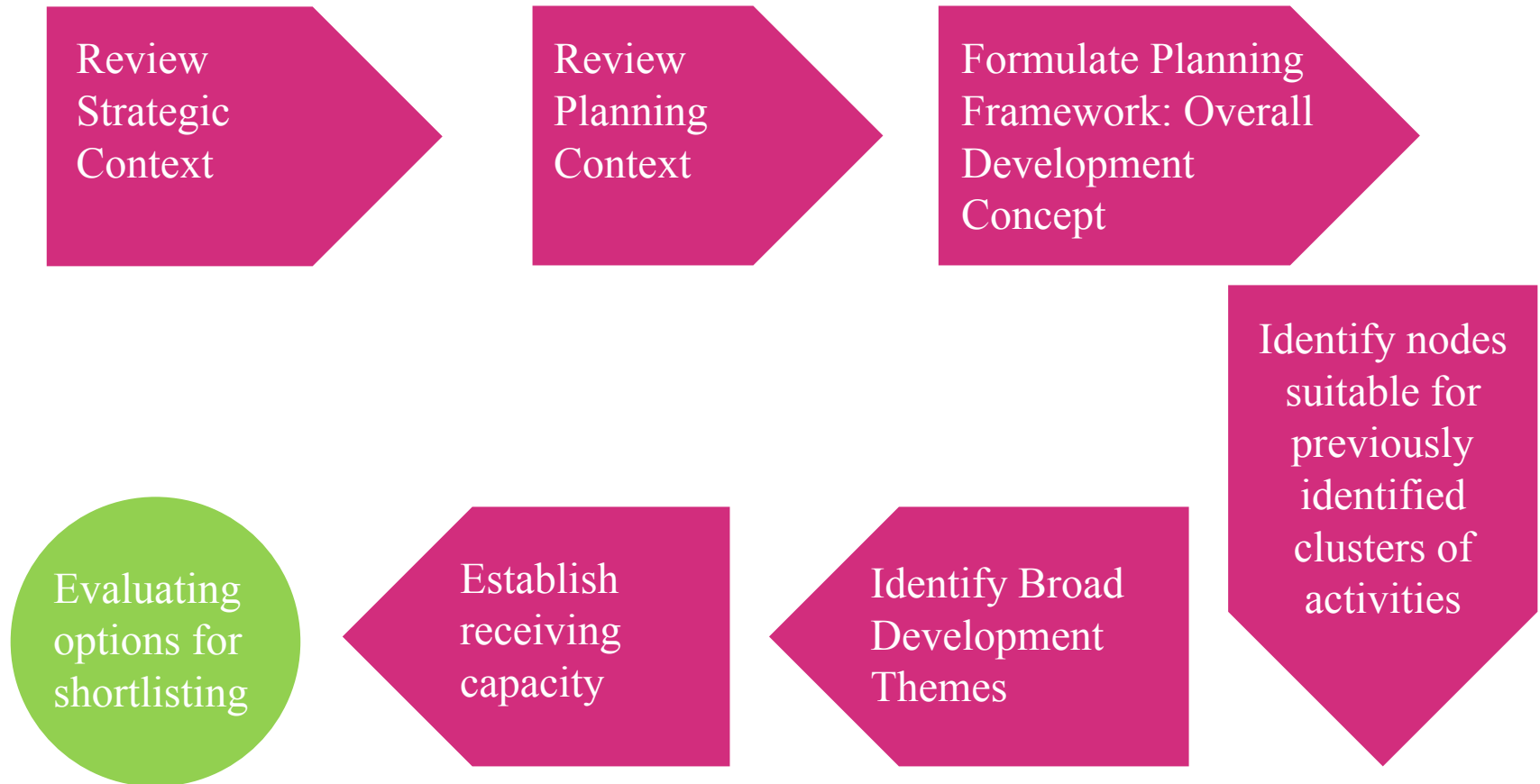
Study Approach

Stage 1A: Identifying Market Positioning and Attractions



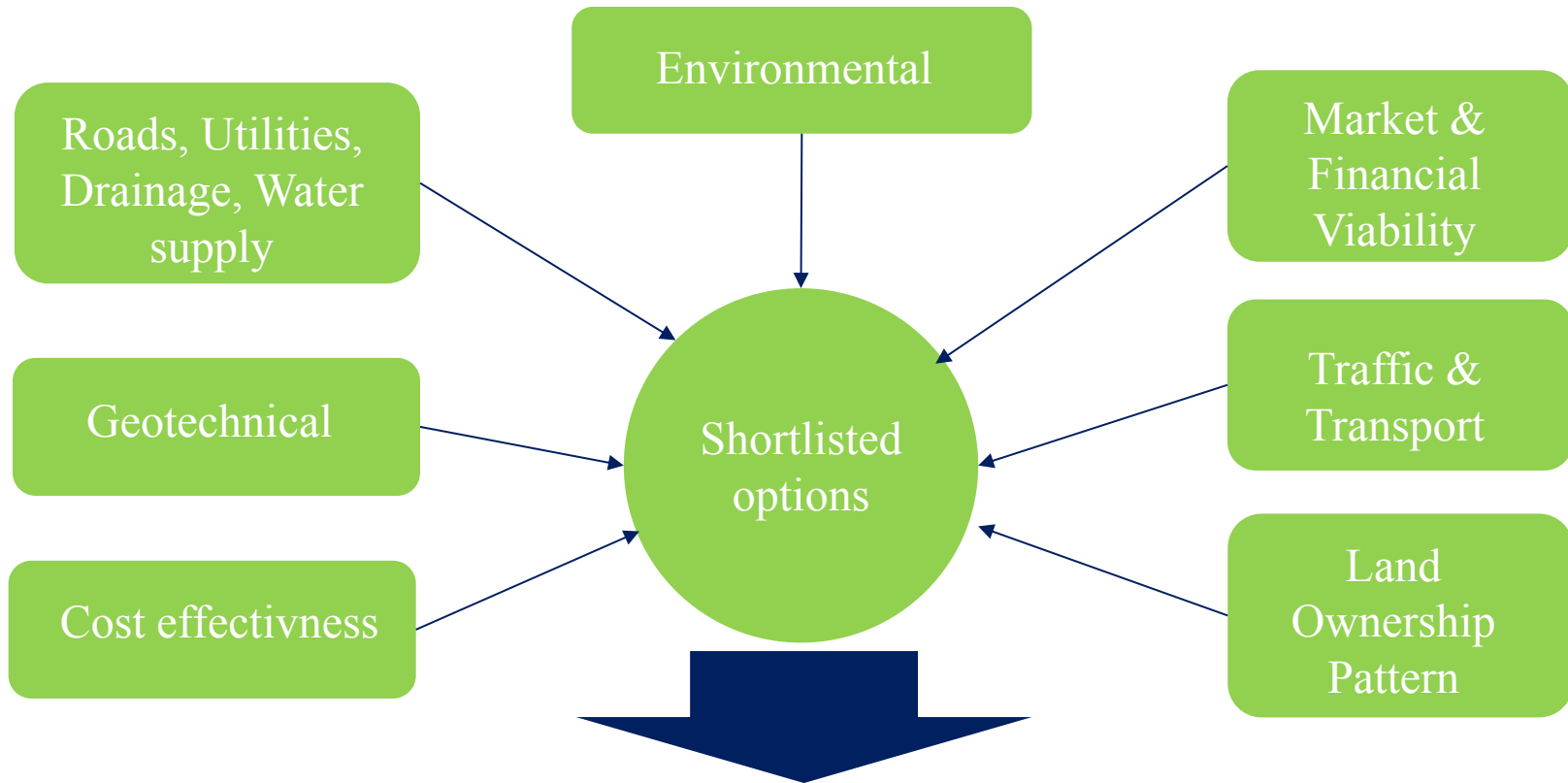
Study Approach

Stage 1B: Spatialising Ideas through Planning Framework



Study Approach

Stage 2: Preliminary Feasibility & Technical Assessments



Tourism development strategy: Market positioning, Overall approach & themes, Development nodes and 5 key recommended developments

Desktop Review

Baseline conditions

Local Visitors

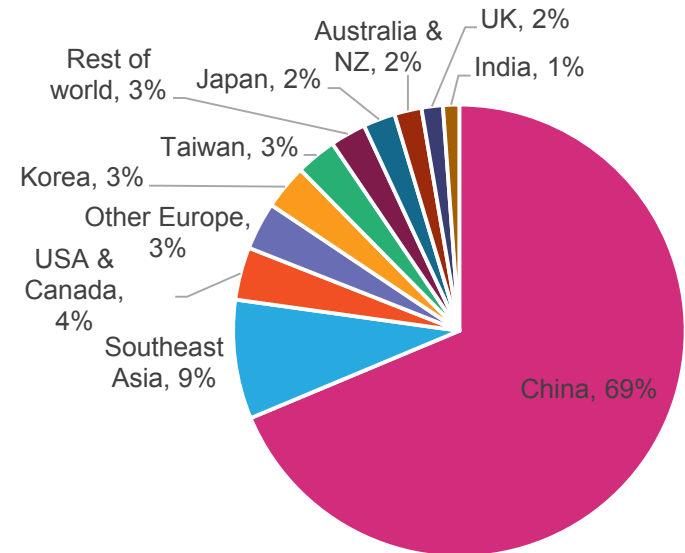
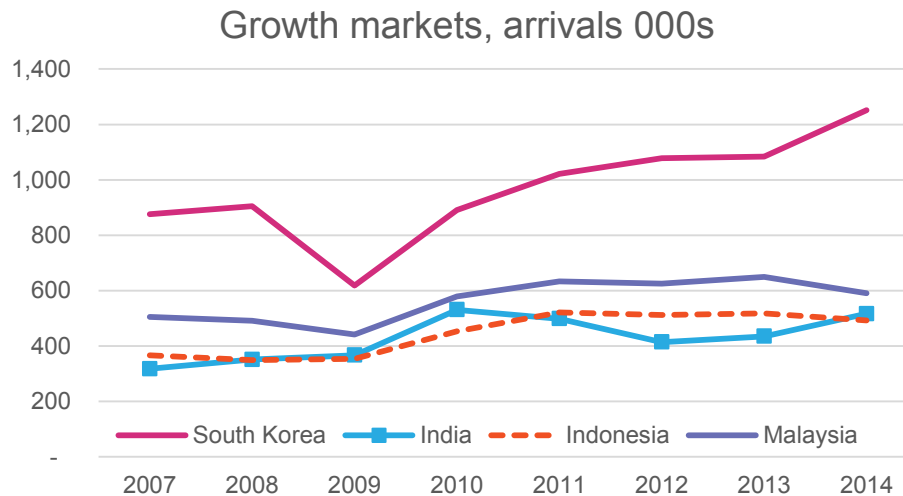
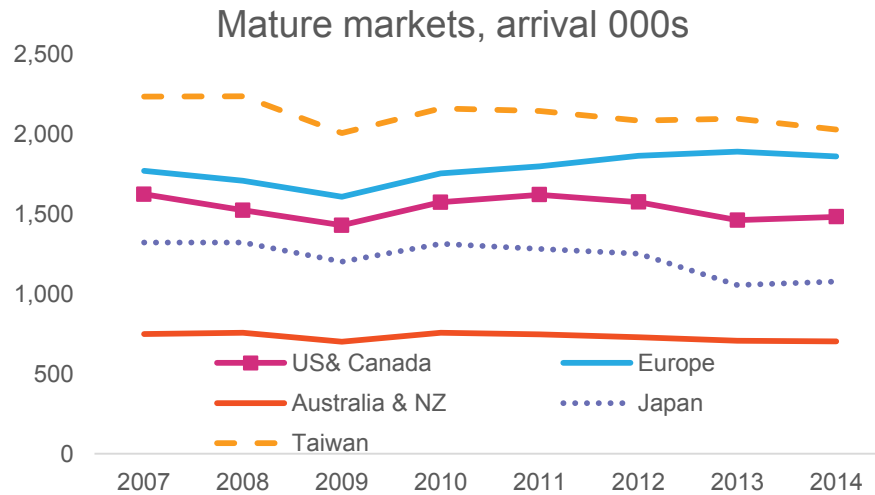
- Growing interest in recreation by Hong Kong residents
- Aging population indicate potential behaviour change

Inbound Tourism

- Short haul: performing well and growing
- Long haul: more mature and declining



Desktop Review: Baseline conditions



Source: HKTB Visitor Profile

Desktop Review

Current Visitor Patterns

- Short haul visitors: younger, higher % female than long-haul
- Short haul tourists- weekend getaway with escapist behavior (theme parks, and indulgent shopping/dining)
- Long haul tourists- use Hong Kong as hub or gateway for longer trips

Market	Median age	% Female	% HK as only destination	Mean Length of Stay (nights)	% First time visitors
Taiwan	35.8	61	69	2.3	30
China	36.1	62	72	2.3	34
Americas	43.2	49	5	3.4	53
Europe	39.9	43	11	3.4	60
Australia / NZ	45.0	52	11	3.8	43
Japan	41.2	52	50	2.3	43
S. Korea	36.9	64	29	1.9	67
Indonesia	38.6	58	26	2.9	34
Malaysia	37.9	57	41	2.9	35
Philippines	37.2	62	54	2.8	32
Singapore	40.2	58	47	3.0	19
Thailand	36.9	64	49	2.5	29
India	38.1	41	15	3.4	69

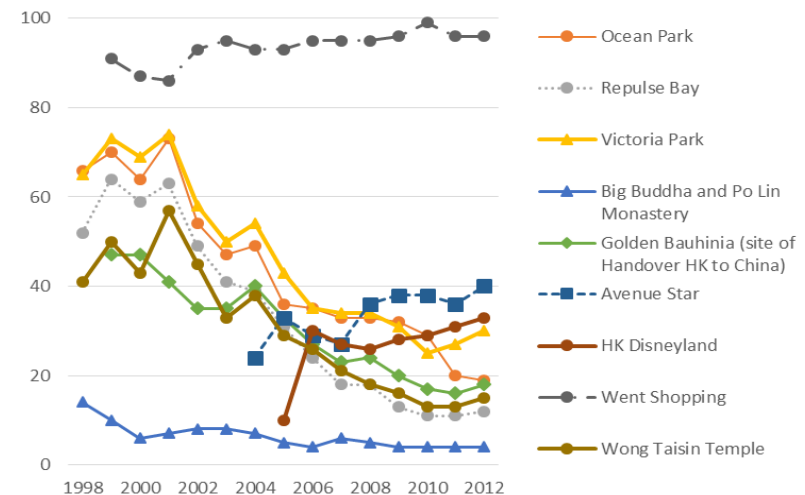
Source: HKTB Visitor Profile 2013

Desktop Review

Current Visitor Patterns

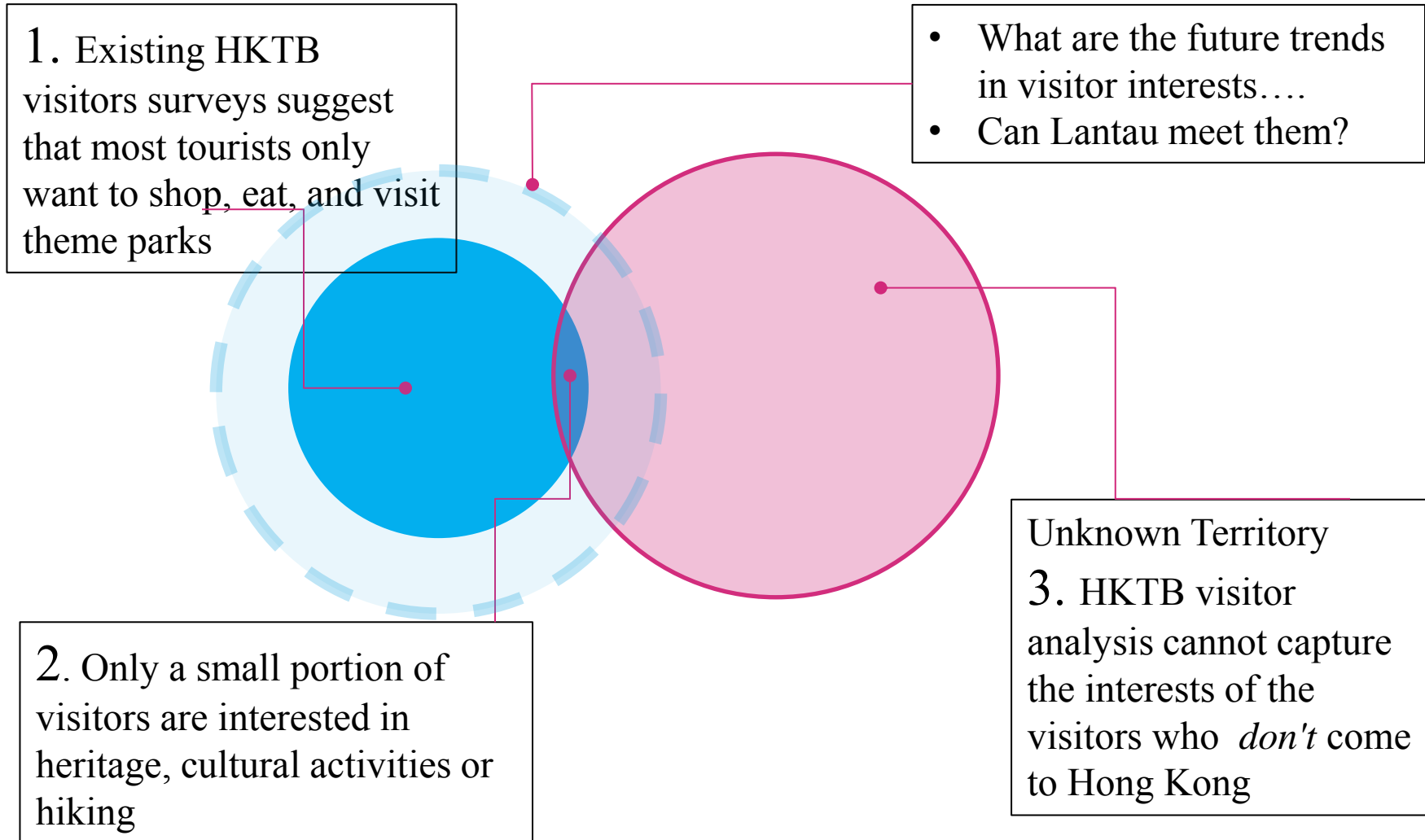
- Time constraints => most visitors cluster at attractions in urban area
- Western & Japanese/ Korean visitors: keener on culture/heritage, hiking
- SE Asia: Strong interest in Disney, NP360
- Visit rates: NP360 (20%) vs Heart Sutra (2%) => lack of time, interest in outdoor pursuits
- Short-haul, repeat visitors => decline in visits to tourist attractions
- Only activity engaged by *all* visitors is shopping

	Shopping	HK Disneyland	Stanley	Peak	Ave of Stars	HK Wetland Park	Sai Kung	Hiking	Ngong Ping	Heart Sutra	Tai O
China	95	33	2	27	37	*	1	*	3	*	1
Japan	89	16	17	47	27	*	1	1	4	*	1
S. Korea	85	8	30	66	50	*	1	1	12	2	1
Malaysia	93	42	12	49	50	1	1	*	24	3	7
Thailand	96	37	7	38	33	*	2	*	36	3	4
India	83	62	15	66	26	1	1	1	18	3	2
Americas	77	8	32	63	35	*	1	4	19	2	5
Europe	74	12	29	67	47	1	1	4	22	3	6



Source: HKTB Visitor Profile

Challenge for Lantau tourism strategy



Initial Observations

Emerging Markets

Asia will be main source of visitor growth (UNWTO forecast: 355M arrivals in 2020 and 535M arrivals in 2030 vs 204M arrivals in 2010)

However, preferences are not uniform:

China

- Hurun Luxury Consumer Survey (2013): for high end market, travel is #1 leisure activity (#3 tea tasting; #6 spa; #8 wine tasting)
- Older and health conscious, more adventurous
- Demand diversified, experiential cultural products

India

- McKinsey estimates upper class to grow from 1.2 million in 2007 to 10M by 2025
- Tripadvisor Trends 2014: Indian travelers put “outdoors” as their top travel interest

Favourite sports of China's HNWI (2013):



Initial Observations

Emerging Segments

Wellness and health focus

1. Aging Baby Boomers

- Indulgent tourism with a health and wellness focus

Escapist travel

2. Cross Generational Markets

- Grandparents travel with their grandchildren

3. Single Parent Families

- Convenience and being able to provide activities that suit the child, while letting the parent escape

4. Young Office Lady

- Recognized Asian market segment who travel on shopping, sightseeing and consumption heavy holidays



Initial Observations

Emerging Segments

Experiential travel

5. Generation Y

- Focuses on independent and budget travel

6. Gay and Lesbian Market

- Fewer children, higher spending, longer trips

7. Generation X

- Seek upmarket outdoor adventure,
- Heavy use of social media feedback

8. Ultimate Adventure Tourist

- Focussed around high adventure, but low risk travel.
- Interest in exploration and discovery



Initial Observations

Trends in Tourism Products

- MICE Tourism
- Medical/wellness tourism
- Hard Adventure
- Rural Tourism
- Golf Tourism
- Marinas
- Luxury car and hotel cross branding
- Shopping Hotels
- Digital Detox



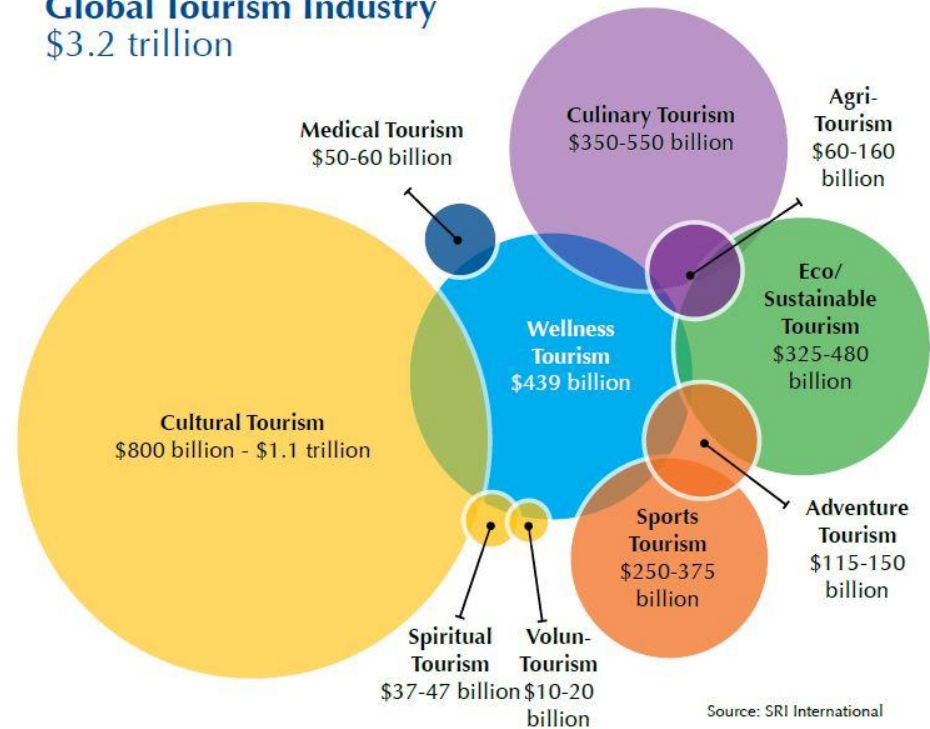
Initial Observations

Wellness tourism

- Projected to grow 50% faster than overall tourism
- Wellness-focused tourists spend 130% more than average tourists
- Category ties together many 'alternative' travel interests (culture, cuisine, adventure)
- Hong Kong ranks as #10 in world for domestic wellness spending (Singapore #17, China #18)

Source: Global Wellness Tourism Economy, 2013

Global Tourism Industry \$3.2 trillion



Unwell Travel

- Unhealthy & over-eating
- Travel stress
- Excessive drinking
- Poor sleeping
- Disruption of fitness routine

Wellness Travel

- Healthy living
- Rejuvenation & relaxation
- Meaning & connection
- Authentic experiences
- Disease prevention & management

Case Studies



【本報訊】本港沿岸地區近日如仙境般被雲海包圍，不少攝影發燒友把握機會，到山上拍下迷霧美景。有市民日前於鳳凰山拍下星河與雲海同現的珍貴照片，被網民廣傳及激讚。

網民Will Cho前日凌晨與友人到鳳凰山，拍下星河和雲海同現美景。Will受訪時說，當日他用25秒曝光、最大光圈及ISO 1,600拍攝，加上附近光害不大，才拍出如斯美景。

Will熱愛行山，去年初對拍攝自然風景產生興趣，不時與同道中人到西貢、石澳、鳳凰山、大東山及大帽山影相，「起初食白果，試多幾次就知點嘅天氣先影到」，例如大帽山附近光害較大，拍到星河機會較低。他出發前均留意天文台預報，拍到美景非純靠運氣。



■ Will Cho前日清早到鳳凰山看日出，拍下星河與雲海同現的美景（照片經25秒曝光）。讀者Will Cho提供圖片



■ 網民Will Cho早前於鳳凰山上用相機內置的「高動態範圍成像」（HDR）功能，將3張用ISO100、光圈F8，並分別於1/60、1/160及1/500秒快門拍下此照片。

天文台署理高級科學主任李國麟解釋，本港過去數日吹東南風，從海洋吹來的溫暖潮濕氣流，遇上沿海岸面冷空氣，令空氣中的水氣結成小水滴，形成春季常見的平流霧，於是出現沿岸地區被雲海包圍的景象。但是，未來一周的氣溫和濕度稍降，料暫時不會看到平流霧。



Popular star-gazing and photography spots become attractions in their own right

Case Studies



不少人到外地旅遊均會選擇風光明媚的郊區，但原來香港亦有景色怡人的大草原，漫山芒草在疾風中搖曳的大嶼山大東山就是其中之一。陽光把芒草種子和絨毛照得透徹，仿如一串串水晶，加上高山上特別藍的天空作襯托，步行逾千級樓梯上山的市民看到大東山芒草海，大呼值回票價；也有深圳和日本遊客上山，人數多得令羊腸小道出現擠塞，估計登山人數超過500人。

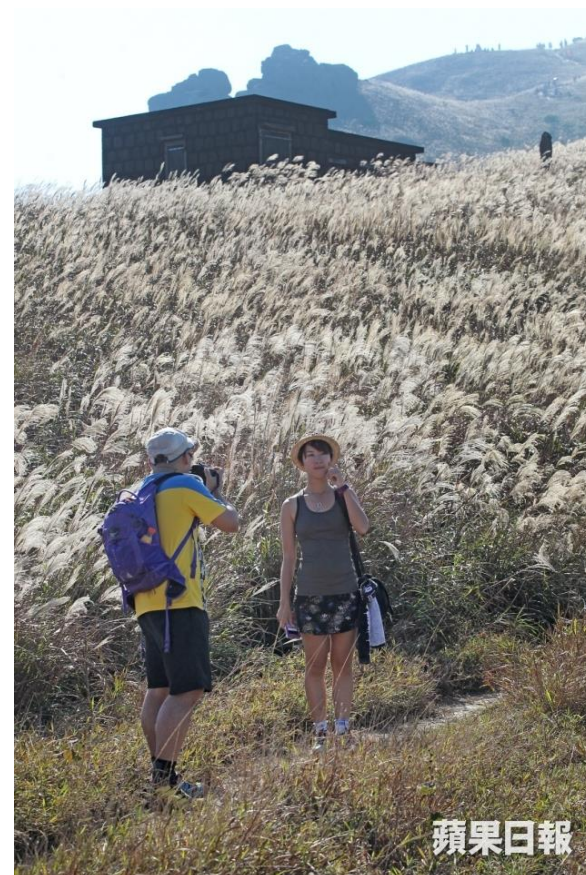
869米高的大東山，在港高度僅次於957米大帽山和934米的鳳凰山，歌星陳奕迅2010年出版的唱片《Taste the Atmosphere》封套，便是在大東山拍攝。山上一年四季景致不同，春有雲海，夏可見銀河，秋冬則有漫山遍野的芒草，近月秋風送爽，吸引不少人慕名而至，有行山人士前日就巧遇影星周潤發。

上大東山主要有兩條路，一從梅窩沿山路上，另一則由鄰近東涌伯公坳步行一條逾千級樓梯的天梯上，後者十分吃力，記者上山首20分鐘路程，已見有一名男行山者不適要召喚救傷車，其後又見一名女行山者暈倒躺在友人身上。昨下午一名外籍女子穿「斗零蹄」高踭鞋上山，不少人為之側目。上山不易又辛苦，在山腰一片芒草觀賞區，有上山人士對可目睹這美景，大呼「辛苦得嚟值回票價」。

現時大約下午5時半日落，下山回伯公坳約需1.5小時。不過下午3時過仍有不少人上山，與下山的人在狹小樓梯上走，出現「塞人」情況。下山後在伯公坳等巴士回東涌是另一困難，因經過東涌道的大嶼山巴士已客滿不停站，上周日有逾百人要步行回東涌，需時一個多小時，現時東涌道仍只限持有大嶼山封閉道路通行許可證車輛才可行經。

除了大東山外，飛鵝山也是觀賞芒草的好去處，好處是車輛可以直達。 🍷

Lack of supporting facilities limits appeal for visitors to scenic hiking trail, and raises concerns about security and safety

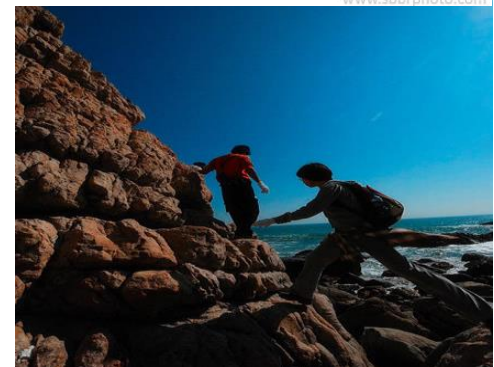


Case Studies

Dapeng Peninsula, Shenzhen (1hr living circle)

- Weekend destination, China's best beaches
- Goal: Tourism Destination (high-end tourists) – MICE, Recreation, eco tourism
- Programs: resort, **yacht club**, cultural heritages, **action sports & hiking** (National Geology Park), convention centre, wedding photography, cycling, war game, **eco-agriculture** and BBQ, Micel Winery (Ice wine)
- Tourist Market: Guangdong province, HK and Macau
- Infrastructure: yacht club partnership with HK

Lantau has comparative advantage vs Dapeng in yachting, action sports, hiking, scope for eco- and agri-tourism



Case Studies

Hainan Province (Two-hour living circle):

Goal: International Tourism Island

- Attractions: tropical agriculture, **golf, diving, rainforest park& resort**, wildlife, cruise business, yacht, **romantic/wedding tourism**, hot spring, repertory theatre/show
- **Events**: 2015 tourism theme - "Marine Silk Road" (culture, trading history, wreck treasures), BOAO Forum Asia

Lantau has equal scope to target romantic/wedding tourism and develop diving attractions



Case Studies

Taiwan: Sun Moon Lake

- Sun Moon Lake features the only full-range **3D tours** (lake, sky and land) in Taiwan
- Goal: Tourism Destination (high-end tourists)
 - **Eco-agriculture** tourism, recreation
- Attractions: **Tea valley tour**, boat tour, cycling trail, **hiking trail**, **cable car**, theme park, water sport, boutique Hotels, camping
- **Year-round Events**: Firefly Festival, Triathlon, Swimming Carnival, International Fireworks

Lantau offers compelling '3D' activities (paragliding, hiking, sailing) to bundle as tours and has a strong base of community events and festivals to use for marketing



Case Studies

Bintan Island, Indonesia

- 45 minutes by high speed catamaran from Singapore
- Goal: High-end tourists – MICE, recreation, ecotourism
- Programs: Luxury resort, convention centre, tropical spa, **ecotourism** (swimming with dolphins, jungle tour, firefly tour)



Lantau lacks the space of Bintan but can learn from the excellent access and use of wellness-oriented luxury resorts, MICE visitors to create destination branding



Case Studies

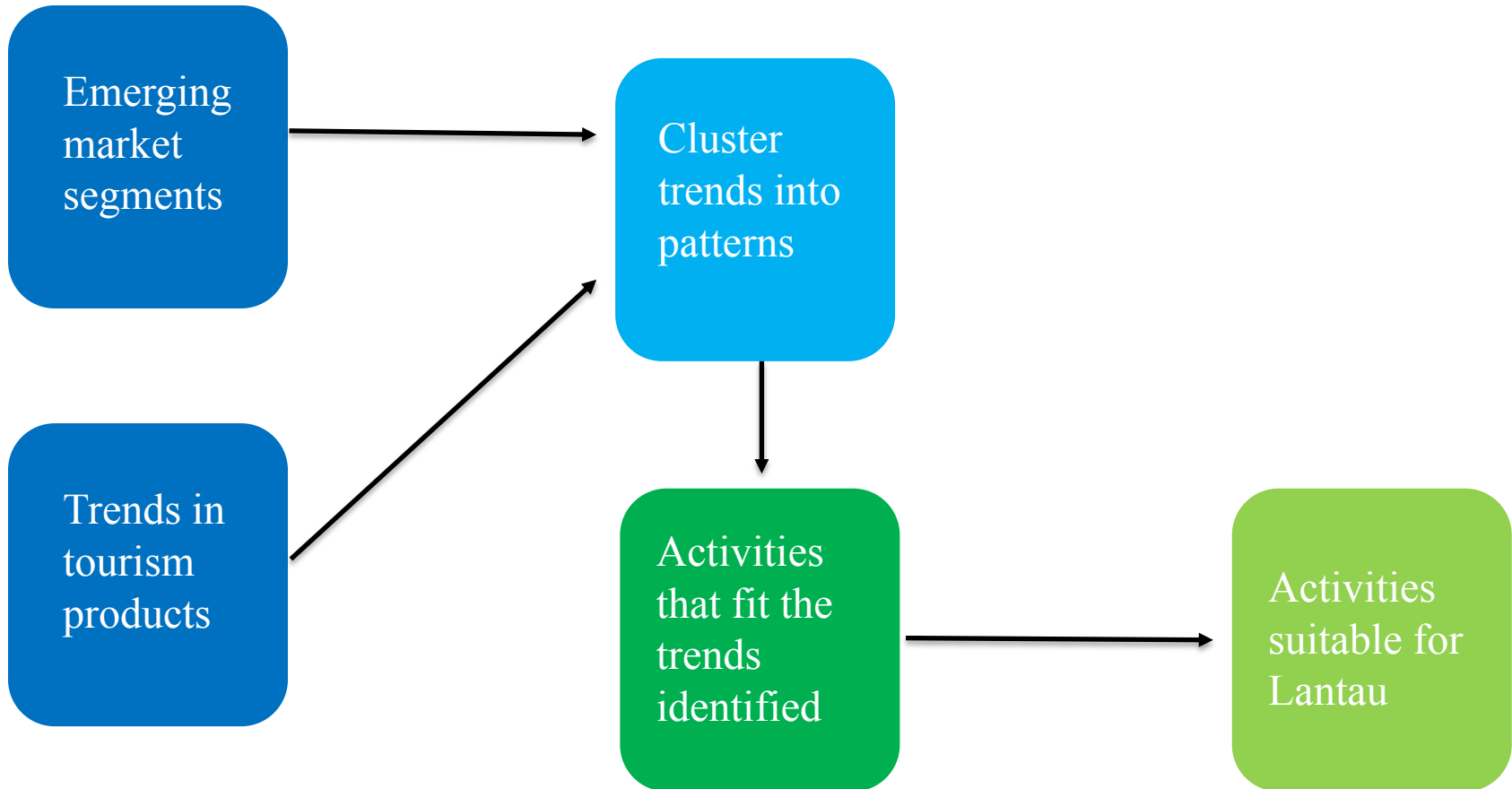
Ipoh, Malaysia

- Ipoh is located 2 hours away from Kuala Lumpur
- Goal: Tourism Destination (high-end tourists) – MICE, Recreation, temple tourism, ecotourism
- Attractions: **Cave temples**, Luxury hot spring resorts, spa facilities, Perak **herbal garden and Gaharu Tea Valley**, Wall Art Mural, Gunung Lang Recreational Park

Lantau has wealth of temples as basis for retreats, capacity to develop wellness focused herbal/botanical garden



Approach to idea generation



Idea generation

Trends clustering

Market

- Asia as driver
- Short haul tourism

Product

- Experiential
- MICE
- Health Conscious

Themes

- Wellness
- Social-media
- Adventure
- Exploration

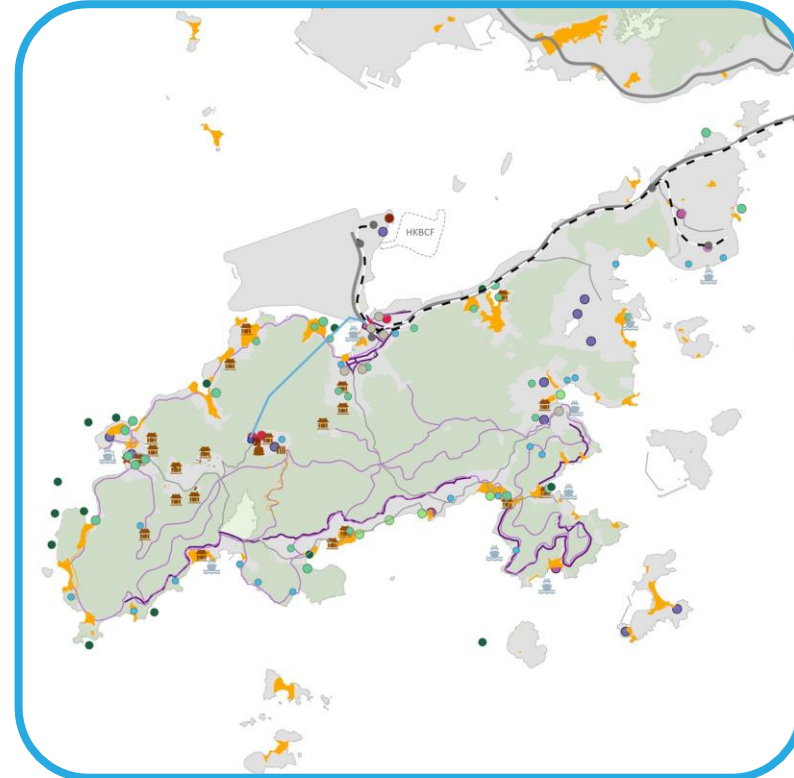
Source of tourists

- Family
- Silver /Senior
- Multi-generation
- Commercial

South Lantau
activities with
scope to meet
emerging trends

Agritourism
Heritage Water Sport
Camping
Hiking
Monument Dolphin Watching
Food gourmet
Zen
Star gazing
History
Fishing Meditation
Traditional shopping streets

Next step: Identifying clusters
of potential activities



Conclusion

- Clear and growing demand for recreation by Hong Kong residents
- Initial identification of facilities that can cater for both Hong Kong recreation needs in the short-term and developing tourism for the long-term concentrates in following areas:
 - outdoor adventure
 - ecological
 - experiential and
 - wellness travel.

THANK YOU