

**TOURISM IN CHINA-SINGAPORE
ECONOMIC RELATIONS**

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Executive Summary

1. Despite the large difference in total population between China and Singapore, the number of visitors between the two countries was almost the same. In 2010, 1.0 million Singaporeans travelled to China, while there were nearly 1.2 million Chinese visitors to Singapore.
2. Singapore was the seventh most popular destination for Chinese tourists in 2010. For Singaporeans, China is the third most popular travel destination. In 2009, nearly 3% of Chinese outbound tourism expenditure was spent in Singapore, whereas about 10% of Singaporean tourist expenditure was in China.
3. The growth of Singaporean visitors to China is limited by the country's small population while Chinese visitors to Singapore have much more potential for growth.
4. The simplification of visa application procedures, the increasing number of budget airlines, the wide range of payment methods for travel products and the two newly established Integrated Resorts are positive factors for attracting Chinese tourists to Singapore in recent years.
5. In 2009, the number of Chinese visitors and their expenditure were the second largest in Singapore, only behind Indonesia.
6. The spike in Chinese visitors to Singapore only took place recently. Japan and Taiwan were the two most important tourism source markets for Singapore in 1995; their shares have decreased significantly since then. The decline has been compensated by the rising number of Chinese tourists in recent years.
7. Unlike Western travellers, who prefer to spend on expensive resorts, most Chinese visitors devote a greater proportion of their expenditure on shopping in Singapore, which constitutes quite a significant share.

8. To lower total travel cost, most Chinese tourists are on short visits to Singapore, staying overnight in other Southeast Asian countries with lower accommodation costs, such as Thailand or Malaysia.
9. Given its geographic proximity, public security and freedom from Chinese governmental control, Singapore's gambling tourism will continue to draw the attention of Chinese visitors to Singapore.
10. Singapore's development of health care tourism has good potential in the long run but may face severe competition from other Asian economies, such as South Korea, Taiwan and Thailand.
11. To attract Chinese visitors, Singapore can further project itself as a centre for luxury goods in the region.
12. As foreign visitors, especially Chinese visitors, to Singapore are expected to rise, the training of foreign workers in the services sector is imperative if Singapore is to maintain its high standards in tourism services.