

PATA forecasts strong annual increase in Inbound visitors to Asia Pacific in 2023

- A Monitor Desk Report

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Pacific Asia Travel Association's latest forecast predicts strong annual increases in inbound visitors for Asia Pacific under the mild, medium, and severe scenarios in 2023.

Growth rates range from 71pc under the severe scenario conditions to as much as 104pc under the mild scenario.

Released last week, the full report gives a quantitative overview of the international visitor landscape to and across the Asia Pacific region at the regional, sub-regional and destination levels up to 2025.

The annual increase in international visitor arrivals (IVAs) in 2023 should range from 158.7 million to 437.5 million under the severe and mild scenarios, lifting the volume of visitor arrivals to between 382.9 million and 712.7 million under those same scenarios.

Substantial annual increases in IVAs are also forecast for 2024 and 2025 under all three scenarios. However, the volume of these gains will slowly reduce over the years as the absolute volume base of foreign arrivals increases.

The impact of these increases, even for the mild scenario, suggests a return in 2023

to better levels of IVAs compared to 2019. Under the medium scenario, bettering 2019 levels will take longer, possibly by 2024. Under the severe scenario, the full recovery to 2019 levels would occur in 2025.

As IVA growth builds between 2023 and 2025, it is worth noting that the source markets of Asia collectively generate the bulk of the additional annual increases in total arrivals across the Asia Pacific each year. Under the mild scenario, for example, the yearly rise in IVAs from Asia in 2023 is forecast to reach 330.7 million and account for three-quarters of the net increase in total IVAs between 2022 and 2023.

Across the years and under all scenarios, the visitor footprint of the Asian source markets, at the aggregate Asia Pacific level, is predicted to remain very strong, with significant differences at the destination regions and sub-regions. The Americas, for example, already demonstrate a strong intra-regional visitor flow. Unsurprisingly, it is forecast to receive more than half of its annual increase in IVAs in 2023 and 2025, under the mild scenario, from source markets within that same region. That proportion is predicted to reach as much as 68% under the medium scenario in 2024 and 78% under the severe scenario in that same year. Although the proportions may reduce by 2025, they are still predicted to favour the Americas very much as the main generator of annual IVA growth in absolute numbers into that same region.

PATA Chair Peter Semone said: “These current forecasts are easily the most positive since 2019, and while inbound numbers are predicted to increase each year to 2025, they will not do so evenly across the Asia Pacific destinations nor at the same rates.

“In addition, growth will not necessarily be by passive osmosis; work needs to be done for destinations to remain competitive and deliver experiences to these visitors that consistently exceed their expectations. A blatant profit-grab at this time will resonate badly with visitors now and will work against destinations and operators in the future.

“Now more than ever before, destinations need to work with host communities, operators, and visitors to deliver results and experiences that bring the best of the travel and tourism sector to the fore, across all involved parties and in a responsible, equitable, meaningful, and thereby sustainable manner. Such an approach will also create a certain resilience to future shocks as and when they appear, and rest assured that they will,” added Semone.

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