

## Chapter 6.6

# ACCOMMODATION

## OVERVIEW

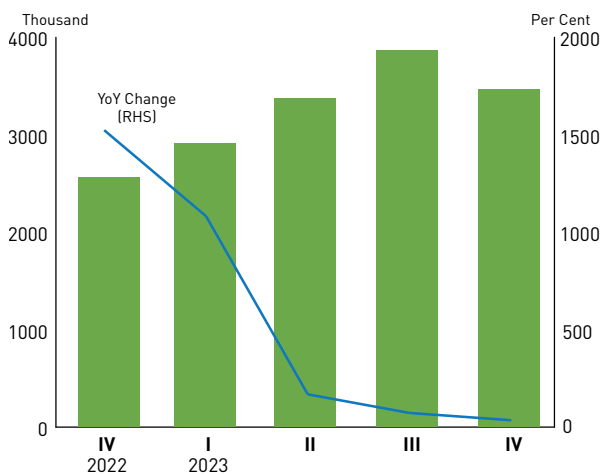
The accommodation sector grew by 1.5 per cent year-on-year in the fourth quarter of 2023, moderating from the 12.6 per cent expansion in the previous quarter.

For the whole of 2023, the sector expanded by 12.1 per cent, accelerating from the 2.2 per cent growth in 2022.

## VISITOR ARRIVALS

Singapore received around 3.5 million visitors in the fourth quarter, 35.2 per cent higher compared to the same period a year ago (Exhibit 6.14). Compared to the same period in 2019 (pre-pandemic), visitor arrivals remained 27.6 per cent lower. For the full year, visitor arrivals increased by 116 per cent, slowing from the 1,810 per cent expansion in 2022.

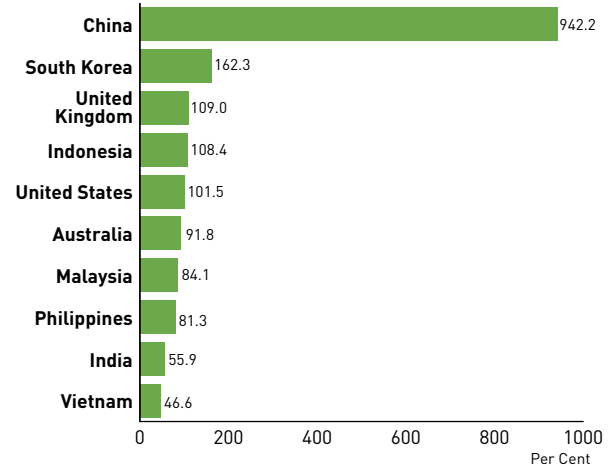
Exhibit 6.14: Visitor Arrivals



In terms of source markets, Singapore's top ten visitor-generating markets in 2023 were Indonesia (2.3 million visitors), China (1.4 million visitors), Malaysia (1.1 million visitors), Australia (1.1 million visitors), India (1.1 million visitors), the Philippines (693,000 visitors), the USA (642,000 visitors), South Korea (571,000 visitors), the UK (474,000 visitors) and Vietnam (459,000 visitors). Together, they accounted for 71.6 per cent of total visitor arrivals in 2023.

Among the top 10 visitor-generating markets, China (942 per cent), South Korea (162 per cent) and the UK (109 per cent) posted the strongest growth in visitor arrivals in 2023 (Exhibit 6.15).

Exhibit 6.15: Growth Rates of Top 10 Visitor-Generating Markets in 2023



## ACCOMMODATION

In tandem with the strong recovery in visitor arrivals, gross lettings of gazetted hotel rooms grew by 6.9 per cent year-on-year in the fourth quarter, extending the 24.2 per cent growth in the previous quarter (Exhibit 6.16). Similarly, room revenue expanded by 4.9 per cent, moderating from the 40.7 per cent increase in the preceding quarter. The increase in gross lettings was partially offset by the decrease in average room rates and average occupancy rates of gazetted hotels. Specifically, the average occupancy rate fell by 5.6 percentage points, while the average room rate saw a 1.9 per cent decline to \$280 in the fourth quarter.

For 2023 as a whole, the accommodation sector grew by 12.1 per cent, driven by the recovery in tourism demand. The overall room revenue of gazetted hotels climbed by 48.8 per cent to reach \$4.8 billion in 2023, driven by a 32.7 per cent expansion in gross lettings and a 12.2 per cent increase in average daily room rates.

**Exhibit 6.16: Gross Lettings**

