

Returning to the skies sooner: Majority of Singaporeans expect international travel to resume fully by the second half of 2021

While they wait for open borders, Singaporeans are embarking on local adventures in a boost to the domestic economy

Singapore, 10 November 2020 – The *UOB ASEAN Consumer Sentiment Study*¹ has found that eight in 10 Singaporeans (81 per cent) expect that international travel will resume fully by the second half of 2021. The survey was conducted just after Singapore emerged from its circuit breaker period and began its careful and considered approach to re-opening travel corridors such as through air travel bubbles with selected countries.

Across ASEAN, consumers in Singapore and Vietnam were the most optimistic that travel would return by mid-2021 (both 81 per cent), followed by Indonesia (76 per cent), Thailand (75 per cent) and Malaysia (74 per cent). Seventeen per cent of Malaysians said they thought international travel was more likely to resume fully in two to three years at the earliest, the highest response rate in the region for those who shared the same sentiment.

While Singaporeans were among the most optimistic in the region about when international travel will return², they were also among the most cautious when it came to whether they would actually begin travelling. Only one in five respondents said they will embark on a business trip (22 per cent) or go on a holiday (21 per cent) the first opportunity they got. This contrasts to business travellers in Vietnam where more than three in five (62 per cent) said they would begin business travel as soon as possible. Even more urgent is the desire for leisure travel among Vietnamese respondents, with one in two (54 per cent) wanting to get away sooner rather than later.

¹ The inaugural UOB ASEAN Consumer Sentiment Study was conducted in July 2020 and aims to track and to understand the changing sentiments and behaviours of ASEAN consumers over the years. The study, commissioned by UOB, was conducted by Blackbox Research in July 2020 among 1,030 Singapore residents between the ages of 18 to 65.

² Respondents in Singapore (81 per cent) and Vietnam (81 per cent) were the most optimistic that air travel would resume fully by the second half of 2021, followed by Indonesia (76 per cent), Thailand (75 per cent) and Malaysia (74 per cent).

A key factor for all travellers across ASEAN is having travel and health insurance cover them given the health concerns posed by COVID-19. Two in three Singapore business (64 per cent) travellers and seven in 10 (68 per cent) leisure travellers said they would not travel without such coverage.

Spending more on Singapore experiences

As Singaporeans wait to fulfil their international wanderlust, more are taking to creating holiday experiences at home. Spend on UOB cards for Singapore-based hotel bookings jumped close to 70 per cent in July 2020 compared with the previous month. It was up another 65 per cent in August, indicating the growing popularity of staycations among Singapore residents.

Among UOB cardmembers, many chose to enjoy the scenery of Sentosa hotels such as Resorts World Sentosa and Capella or the views of the city skyline at hotels such as Marina Bay Sands and The Fullerton Hotel. Alongside staycations, UOB cardmembers also made their way to popular tourist destinations in Singapore such as the Singapore Zoo, Night Safari and the range of attractions in Sentosa, with cards spend at these places spiking 281 per cent from June to July.

Ms Jacquelyn Tan, Head of Group Personal Financial Services, UOB, said that given that the travel and tourism industries are significant drivers of economies in ASEAN, including Singapore, the rise in domestic tourism helps to give a much-needed boost to mitigate the impact of COVID-19 in these sectors.

“To encourage more of our customers to embark on local adventures, at UOB we have expanded our ecosystem of partners in the travel and tourism sectors to create exclusive deals. For example in Singapore, our partnership with more than 40 hotels that have been approved for staycations by the Singapore Tourism Board means that our cardmembers can enjoy enhanced benefits such as higher room discounts of up to 25 per cent, complimentary room upgrades and dining credits.”

UOB has also expanded the number of local deals and added fresh content such as experience itineraries in Singapore on its online travel marketplace The Travel Insider. With more than 400 local deals for Singaporeans to embark on local adventures, the Bank saw a year-on-year increase of 95 per cent in the number of Singaporean visitors to The Travel Insider in September 2020. Across ASEAN, the trend of

domestic tourism increasing as consumers shift their travel aspirations closer to home can also be seen with visitors to their local editions³ of The Travel Insider growing 225 per cent from July to September of this year.

In anticipation of the surge in staycations and demand for local travel experiences during the year-end festivities, The Travel Insider plans to launch a further 350 deals across hotels, retail and local dining to help Singaporeans stretch their holiday dollar in the coming two months.

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About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's Investors Service and AA- by both S&P Global Ratings and Fitch Ratings. In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, as well as branches and representative offices across the region.

Over more than eight decades, generations of UOB employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB is steadfast in our support of social development, particularly in the areas of art, children and education.

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³ The Travel Insider, the first online travel marketplace by a Bank in ASEAN, is available in Indonesia, Malaysia, Singapore and Thailand.