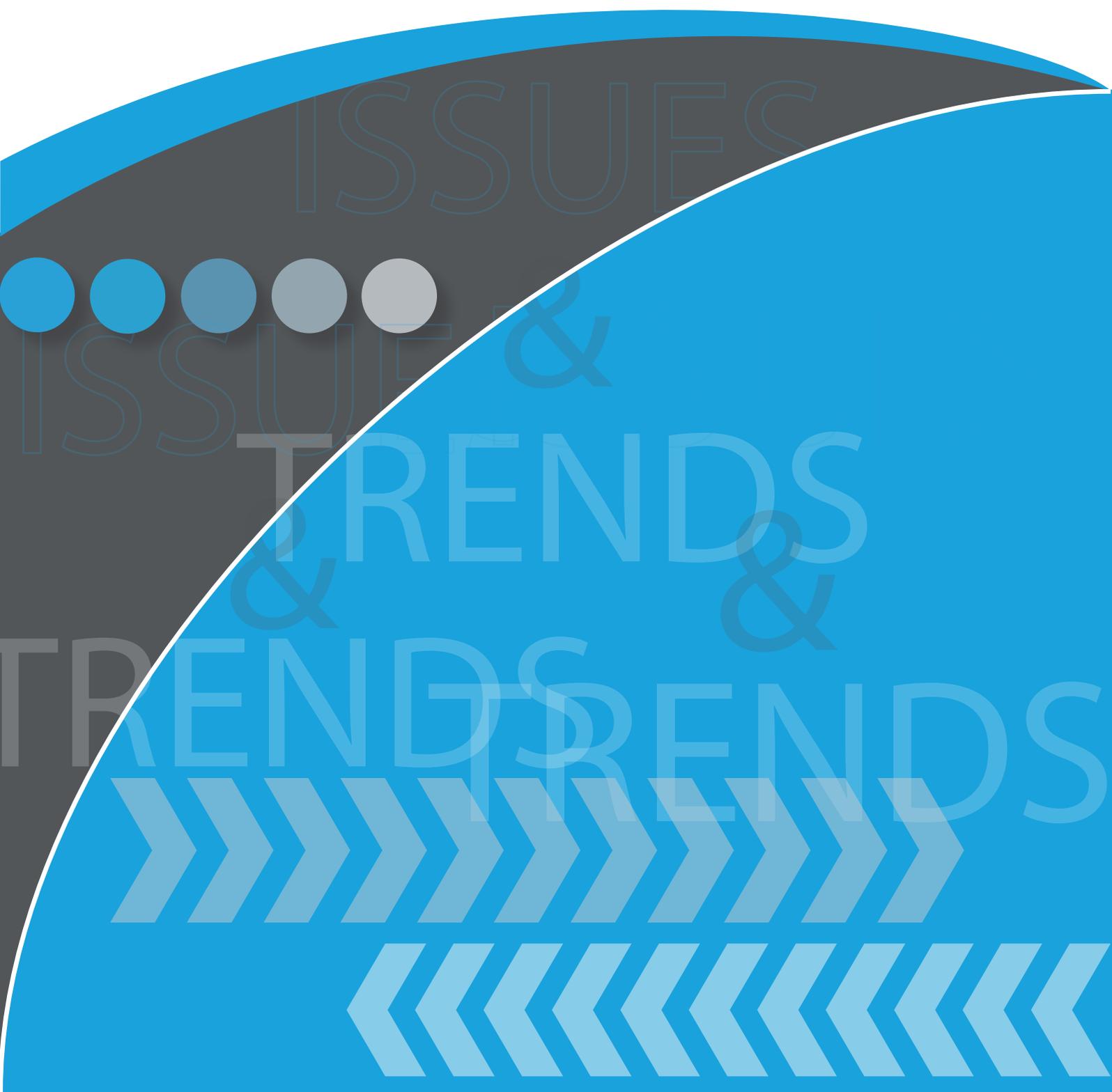


ISSUES & TRENDS

THE LGBT (LESBIAN, GAY, BISEXUAL AND TRANSGENDER) TRAVEL MARKET IN ASIA



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THE LGBT

(LESBIAN, GAY, BISEXUAL AND TRANSGENDER)

TRAVEL MARKET IN ASIA



*Despite society's growing acceptance of sexual diversity in many countries around the world, much of Asia continues to virtually ignore Gay and Lesbian travellers. By neglecting them as a niche market like any other, they effectively fail to reap the benefits of a generally high-spending, culture-interested travel consumer. Certainly this has to do with Asia's own cultural evaluation of society, where community values are the norm over those of individuality but in addition, for many involved in the travel trade, LGBT tourism still remains associated with a "sex-linked" type of travel. However, this might be the time to reconsider such preconceptions so this *Issues and Trends* will look at the real contribution of LGBT to travel and tourism. LGBT tourists are a real and growing niche market and as such should be recognised, if not always considered as a segment in any general analysis of tourism source markets.*

In this time of continuing globalisation, tourism authorities are constantly looking at ways to further expand potential visitors to their own destinations, especially those regarded as 'high yield'. In the past this has often been done with a sense of matching destination attributes with travellers who also match their own cultural values. Some tourism authorities for example woo family-oriented, nature-interested travellers who 'fit' well with a mostly conservative society while others look more at niche markets that are keen to experience culture and soft adventure.

While those are solid strategies in their own right, it should also be recognised that today, tourism is increasingly turning urban and that different strategies need to be developed in order to effectively capitalise on this phenomenon. For many cities, tourism is now the number one industry. According to a study commissioned by the UNWTO on mega-trends in Asia's urban tourism (2006), luxury travel is a major target in the region with the majority of cities in Asia Pacific looking at attracting high-end and high-yield markets. In parallel, there is also a shift in tourism demand with some travellers looking more to buy experiences than consumer products; in other words, seeking and paying for a rewarding and positive personal experience.

Responding to travellers searching for a unique experience, tourism authorities must increasingly turn their strategies towards niche markets and one of the most courted niche markets around the world is that of Gay and Lesbian travel (LGBT for lesbian, gay, bisexual and transgender), which today is an integral part of the global approach to the continued development of travel and tourism.

Demographics and purchasing power

There is no exact count of people who identify themselves as homosexual and studies attempting to quantify this show a great variation with estimates ranging from 2% to 5% of the population. In addition, those who may, for many reasons, feel reluctant to admit their homosexuality, distort such figures. Younger generations however tend to be more open when it comes to admitting their sexual preferences. In an Experian Simmons 2012 LGBT Report which analysed US gay and lesbian consumption habits, it was discovered that 29% of all US citizens declaring to be homosexual are aged 18 to 34 years, while another 29% are aged between 35 and 49 years.

In Asia, there is even less information about sexual orientation. The only (partial) information on sexual preferences in Asia was conducted in 2006 by Asia-City Magazine - a company editing BK-, HK- and IS- City Magazine for Bangkok, Hong Kong SAR and Singapore respectively. From 1,700 people surveyed, the magazine indicated that 22% of Thais declared themselves homosexual, as did 11% of Hong Kong SAR and Singapore inhabitants.

But even at 2% of the total global population, this would make homosexuals a group of as many as 150 million individuals, the equivalent of the population of Bangladesh or Russia! Using that same ratio for the international travel population, openly-declared homosexual individuals could theoretically therefore, generate some twenty million international tourist arrivals annually. And it is likely that this is a conservative estimate.

Several years ago, the UN clearly condemned any form of discrimination based on sexual orientation or gender identity. Additionally, at the end of last year, UNWTO Affiliate Members released a study on the LGBT travel market showing that an institution as serious as the UN tourism agency acknowledges the importance of this niche



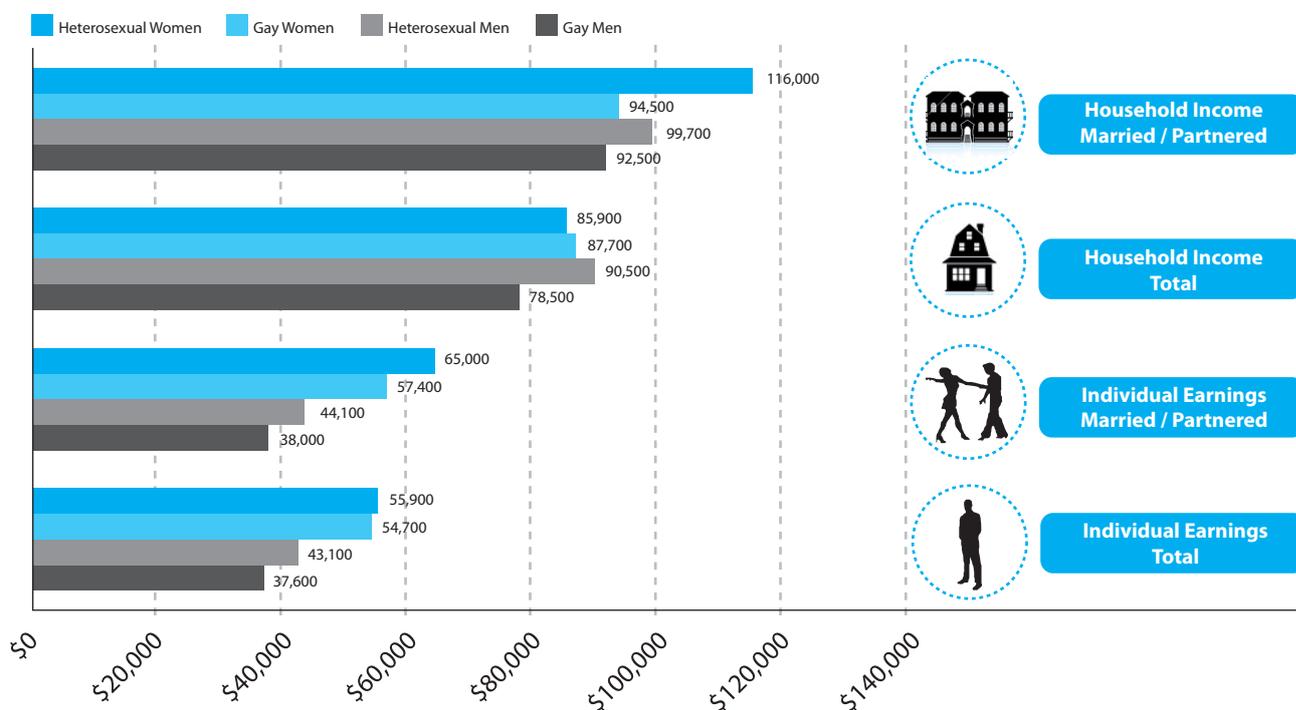
segment. “The case studies and commentaries featured in this report demonstrate the clear relationship between countries’ progressive policies towards LGBT people and the economic benefits for their tourism sector. However, social benefits are becoming clearer too, as more and more destinations are benefitting from the associated brand image of tolerance, inclusiveness and diversity”, highlights Javier Blanco, Director of the UNWTO Affiliate Members in his foreword.

Respecting sexual minorities is even more important as they often represent a source of income that is far from negligible. Many companies today are looking for and aggressively targeting the “Pink Dollar” particularly as represented by the ‘DINK’ profile. ‘DINK’ is an American acronym, which stands for “Double Income No Kids” and is used to explain the high purchasing power of the average LGBT market compared to the average heterosexual market. Despite some social changes – a study from CMI consulting reveals that some 3% of US gay men and 19% of US lesbians indicated having children under 18 living at home - consumption patterns remain more robust than for many other categories.

Unfortunately there are few comprehensive studies beyond the United States, so most of the figures used here will be related to US habits.

As mentioned earlier, a 2012 survey conducted by Experian Simmons on LGBT consumption habits, found that income from this segment is generally higher than that from the heterosexual counterpart.

Exhibit 1:
Individual earnings and household income of US LGBT citizens, by sexual orientation (US\$, 2011)¹



For the purpose of this analysis, “partnered” is defined as a gay/lesbian individual whose household contains exactly two adult men/women or a heterosexual individual whose household includes exactly one adult female/male.

1. Source: Experian Simmons 2012 LGBT Report

Resilience to crisis

The LGBT segment also seems to have been less affected by the recent financial crisis and recession. This may be due not only to this group’s potentially higher purchasing power (probably the “DINK” syndrome!) but also to spending habits. In a 2008 edition of the UK magazine ‘Out Now’ which looked at the UK Gay market’s consumption using credit cards, it was said that gay consumers could be seen as a new revenue source at a time of generally slowing consumption. It also indicated that lesbians and gay men could offer tourism suppliers significant new marketing opportunities. With earnings of over £81 billion in 2007, the three million gay men and lesbians in the UK spent £7.1 billion buying goods online alone.

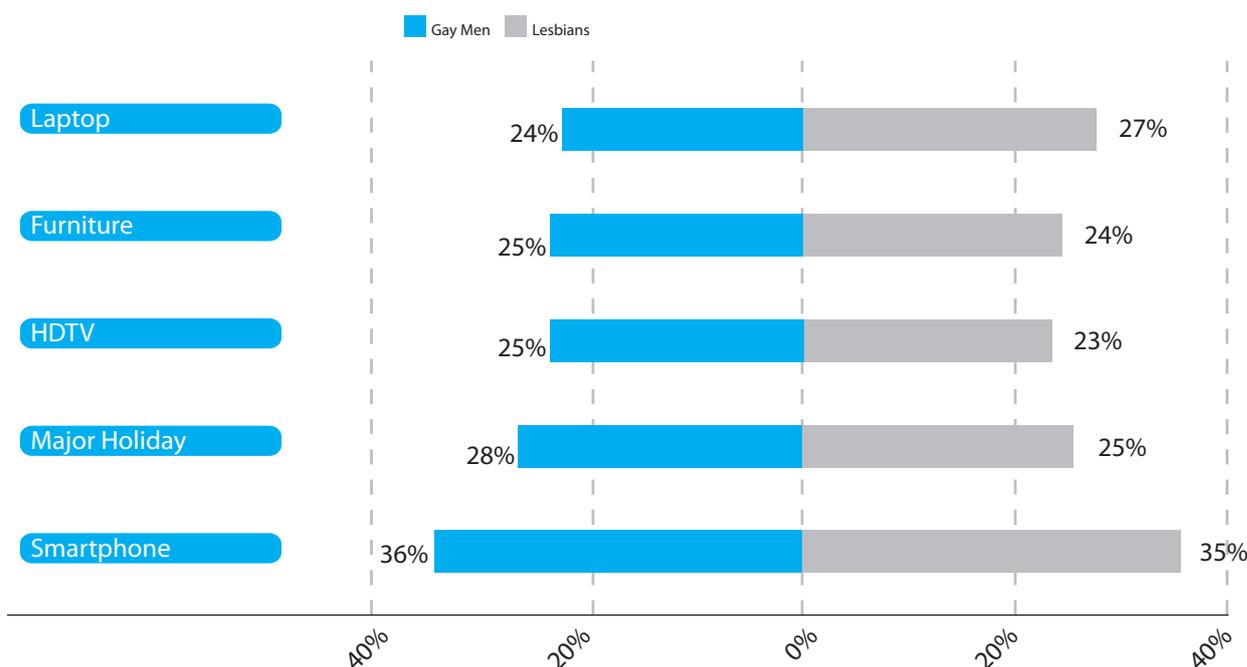
US-based Harris Interactive identified that LGBT travellers cut back spending less than their heterosexual counterparts. In a 2011 poll, 75% of LGBT travellers indicated that they would keep or increase their summer holiday trips compared to 71% of heterosexual travellers. For weekend trips, the difference between the LGBT and heterosexual segments was even wider: 72% versus 64% in favour of Gay and Lesbian travellers².

As part of their travel style, gays and lesbians tend to favour leisure expenditure, travel products and services, all parts of a ‘cool’ way of life. And if they have families, they tend to switch LGBT-friendly travel to family-friendly travel.

Social position, education, profession, race and age are further factors that need to be considered when analysing LGBT travel consumption behaviour. But other issues, including socialising (visiting friends known through social media contacts), is playing an increasing role; recognition or acknowledgment of a Lesbian/Gay social status, a diverse culture and life-style at a destination are also determinant factors when choosing a holiday.

A 2007 study of the Australian LGBT market initiated by Roy Morgan Single Source Australia indicated that the gay leisure travel market comprised an estimated 242,000 Australian gays, with a turnover of approximately A\$965 million annually. Some 65% of Australian LGBT travellers took at least one leisure trip over a period of 12 months, a number slightly below the Australian average of 71% (figures based on 23,049 interviews conducted between October 2005 and September 2006), however, expenditure per night was higher for gay travellers at A\$147 per person per night, compared to A\$137 for all travellers.

Exhibit 2:
Past purchases for LGBT individuals in the United States, in 2011 (%)³



2. Source: The HarrisPoll, June 2011
 3. Source: CMI
 Note: HDTV stands for High Definition Television

Hong Kong Company tracks the Pink Dollar

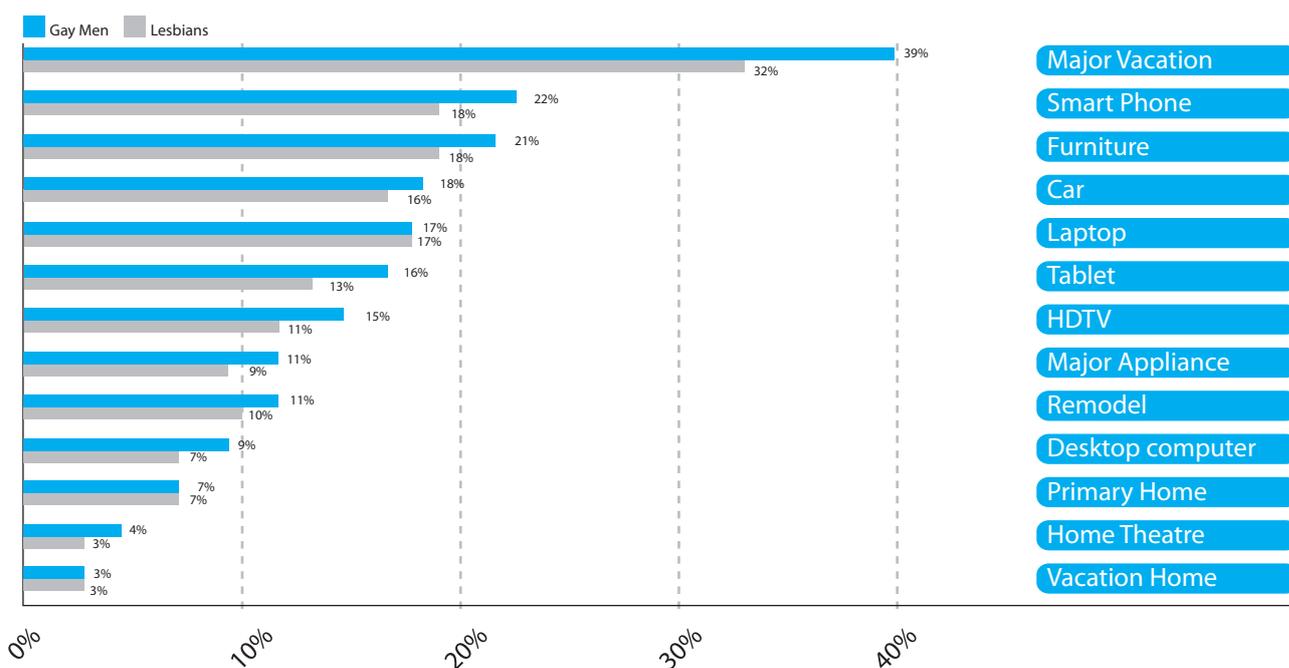
UK-based *Gay Star News*, in its May issue, spoke with Paul Ramscar, the creator of a new app "Pink Dollar Technologies Ltd", that harnesses LGBT spending power in Hong Kong SAR. Launched at the end of July, "Pink Dollar" allows Hong Kong businesses to be rated in terms of gay-friendliness. The idea came following a 2010 survey published by the advertising company Leo Burnett which revealed that 95% of the people surveyed would distrust or boycott a brand if they felt that the brand was not gay friendly. This app will look at places where LGBT individuals might feel comfortable to shop, eat or socialise. According to Mr. Ramscar, the LGBT community will check places, rate them and then pass their opinions on to others in their network.



The idea has already been embraced by some businesses. "We are in a conversation with a big retailer about having a Pink Dollar shopping evening where they will close down the store and it will just be our members shopping", explained Mr. Ramscar to *Gay Star News*.

When asked about the attitude of Hong Kong SAR residents towards the LGBT segment, the Pink Dollar creator expressed disappointment with the lack of progress on legal issues in society and the acceptance of diversity. "Hong Kong should be leading from the front and trying to do something about this because the time is now. We need more diversity in the workplace. We need legislation. Then I think something would get done", he highlighted. Even before being officially launched, it seems that the app has been well received by the Hong Kong SAR gay community with many emails expressing their congratulations and satisfaction. "One of them even went so far as to say 'this could be seen as a historic moment in the evolution of Hong Kong's gay community'", added Paul Ramscar.

Exhibit 3:
Which of the following do you plan to purchase in the next 12 months (2011)⁴



⁴ Source: CMI 2012 study
Base: Gay Men: 10,019; Lesbians: 3,427
Note: Hong Kong refers to the Special Administrative Region (SAR)

LGBT Travel consumption

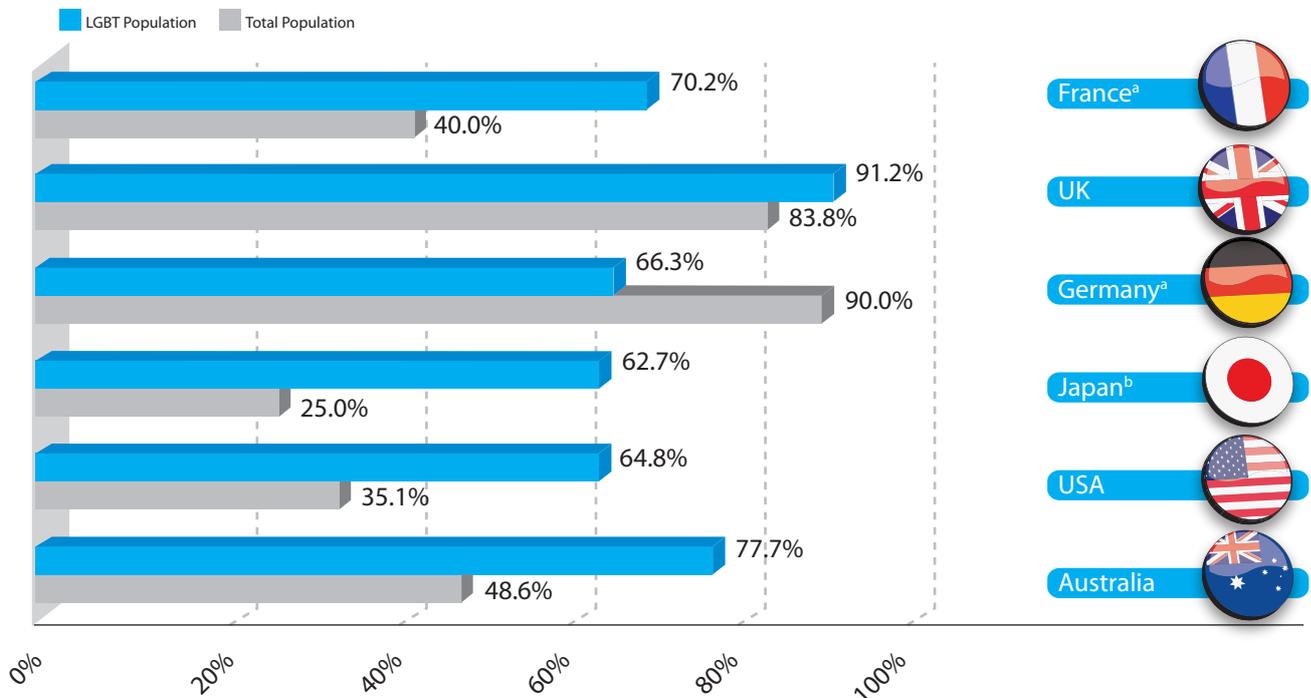
Although there is no exact data on the total number of LGBT travellers around the world, there are none the less, many indicators of revenue generated by the gay travel market. A study from the Netherlands-based 'Out Now Consulting' in its Global LGBT 2020 Study of the segment suggests that it will generate approximately US\$165 billion on leisure travel spending in 2012.

A CMI Consulting study on US LGBT travellers puts the economic impact on travel by this group at US\$65 billion in 2010. According to this study, LGBT individuals tend to travel twice as much as mainstream travellers, with leisure travel accounting for three trips per year compared to 1.5 trips for mainstream travellers. Total trips for LGBT individuals averages 6 per year compared to 4 per annum for mainstream travellers.

While 35% of US citizens own a passport, the average number of people actually using it for travel is closer to 20%. By contrast and according to CMI, 40% of gay and lesbian travellers used their passport at least once in 2011. In fact travel is the biggest component of the purchasing behaviour of LGBT individuals.



Exhibit 4:
Percentage of LGBT citizens with a passport (for selected countries, 2011)⁵



5. Source: Australian Department of Foreign Affairs and Trade; Bureau of Consular Affairs at the US State Department; Bundesministerium für Inneres; all LGBT data are courtesy of Out Now Consulting.
a. France and Germany: estimated figures for total population
b. Japan: Percentage in 2009 for total population

LGBT travellers spend more at their holiday destination

Research shows that on average 29% of LGBT travellers in 2011 spent more than US\$2,000 during their annual vacation while another 33% spent more than US\$1,000.

One such study, conducted by the city of Philadelphia, showed that LGBT travellers spent on average 57% more in 2011 than their heterosexual counterparts, or US\$878 against US\$559. In 2004, Philadelphia launched a dedicated program to promote tourism to the LGBT community. It was demonstrated that for each dollar invested in marketing, the return on investment (ROI) came in at US\$153, mostly through spending on hotels, F&B and retail outlets.

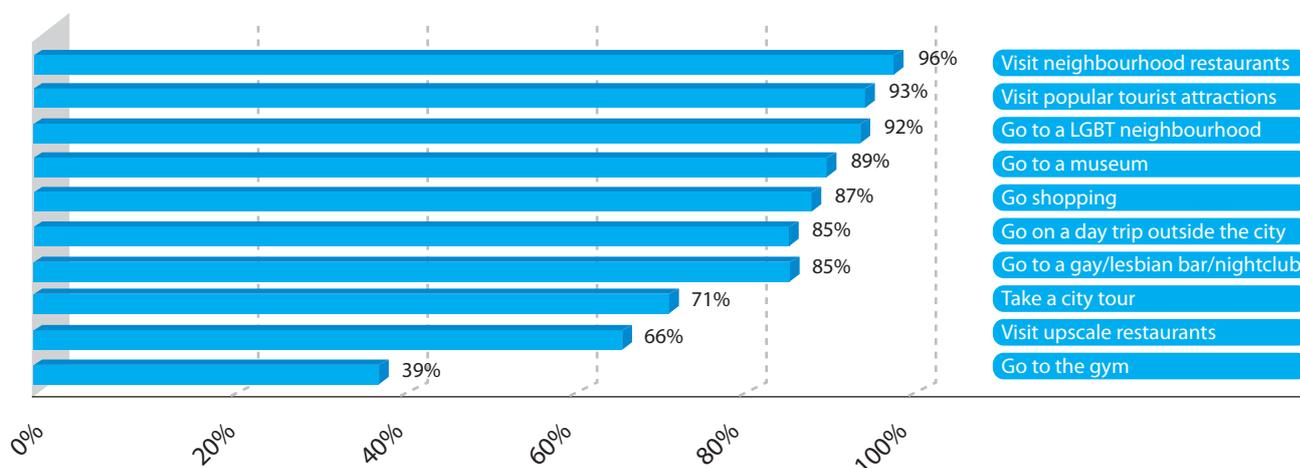
Meanwhile, most LGBT travellers in the CMI 2012 Survey do not consider themselves as "Luxury travellers" but rather "economic/budget travellers". CMI explains that this notion does not come from low income but from the fact that the LGBT community prefers to take a vacation many times per year rather than once, diluting spending over several holiday breaks.

LGBT travellers are more eclectic in their travel activities

The range of activities does not exclusively integrate gay-type or gay-oriented activities. On the contrary, it seems that LGBT individuals will favour a very local and cultural approach and are keen to embrace the local lifestyle according to CMI worldwide LGBT market research (see Exhibit 5).

Exhibit 5:

Responses to the question "When travelling to a city, how likely are you to participate in any of the following?" (% , 2011)⁶



It appears then that most studies to date show that choices made by the LGBT community are generally the same as those of mainstream travellers. The gay-related activity or choice however, is influenced by a specific main driver: recognition of the gay traveller by institutions (targeted campaigns from NTOs) or companies (targeted advertising or marketing from airlines or hotels for example).

The consulting company 'Out Now' has for over a decade now, conducted a large global study that provides indications about LGBT trends. The LGBT2020 Study for example, is a ten-year program and is the world's most comprehensive LGBT research project. In 2012 the study is sampling gays, lesbians, bisexuals and transgender people in 12 languages from 24 countries on 6 continents, and covering many aspects of their lives. From LGBT travel and tourism patterns, lifestyle habits, consumer expenditure, incomes, spending, discrimination and entertainment preferences - the LGBT2020 is the most complete project to date to evaluate this market's evolution. Japan's market was analysed for the first time in 2011 and results from the Korea (ROK) study were recently unveiled.

⁶ Source: CMI

Exhibit 6:**Top LGBT leisure activities for Australia, Japan, the UK and the USA (2011)⁷**

	Australia	Japan	UK	USA
1	Dining	Dining	Dining	Dining
2	Museums	Walking/hiking	Beaches	Museums
3	Gay/Lesbian nightlife	Art Galleries	Museums	Beaches
4	Beaches	Museums	Gay/Lesbian nightlife	Gay/Lesbian nightlife
5	Art Galleries	Local History	Local History	Walking/hiking

LGBT friendly destinations

The most popular gay destinations are sun and beach destinations or cities. The CMI USA Survey for example shows that a majority of the LGBT segment could be classified as "Warm Weather Travellers", "Urban Core Travellers" (except for Lesbians) and "Beach Travellers".

Exhibit 7:**Defining LGBT traveller profiles⁸**

Traveller Category	Traveller Profile (%)		
	Gay Men	Lesbian	LGBT under 35
Warm Weather Traveller	55	48	44
Urban Core Traveller	50	28	51
Beach Traveller	45	43	45
Economy/Budget Traveller	45	52	54
Outdoor/Active Adventure Traveller	28	34	34
Luxury Traveller	28	21	25
Resort/Spa Traveller	26	23	24
LGBT Party/Event Traveller	21	19	28
Eco/Green Traveller	12	20	14
Winter/Ski Traveller	11	8	14

In North America, Miami, Key West, San Francisco, Montreal and New York are favourite destinations amongst LGBT travellers. In Europe, Amsterdam, Berlin, Barcelona and London stand side by side with Ibiza, Gran Canaria and Mykonos in attracting gay and lesbian travellers. Argentina, Brazil and Mexico increasingly lure travellers with either city destinations (Buenos Aires, Rio de Janeiro) or resorts (Cancun).

The largest ever study into LGBT tourism reveals the world's most popular destinations for this traveller segment. Released by Out Now Global in early 2011, the survey was conducted across almost 40,000 LGBT respondents in 18 countries around the world and included one very specific question: which country or city are you planning to visit for a holiday in the next three years?



7. Source: Out Now LGBT2020 Study

8. Source: CMI Survey of 5,638 Gay Men; 1,007 Lesbians; 1,408 LGBT under 35 years of age

These results are unique in as much as they set the global benchmark for measuring LGBT travel aspirations, and provide a wealth of valuable information for those wanting to understand how to tap into the lucrative gay and lesbian tourism market.

Not surprisingly perhaps, Australian destinations - which are by far the most active in the LGBT market in Asia Pacific - came in amongst the top 20 most desirable gay destinations in the region. This classification includes destinations such as Sydney and Melbourne. There were some interesting surprises as well with Tokyo and Hong Kong SAR both appearing in the most desirable destinations list in the Global LGBT2020 Study. And despite being absent from the major World rankings, Bangkok came in at 6th position amongst the top favoured destinations in Asia Pacific.

Exhibit 8:

Most desirable LGBT holiday destinations (2011)

Responses to the question: Which of the following places would you be interested in visiting for a holiday in the next three years?⁹

Country Ranking Globally		Global top 20 LGBT holiday city destinations		Cities in Australia / NZ / Middle East / Asia	
USA	129	New York	179	Sydney	177
France	128	Sydney	177	Tokyo	148
Spain	114	Rio de Janeiro	173	Hong Kong SAR	128
England	108	Paris	168	Melbourne	127
Italy	92	San Francisco	165	Auckland	90
Germany	73	London	156	Bangkok	69
Australia	62	Buenos Aires	154	Singapore	64
Canada	55	Tokyo	148	Beijing	59
Argentina	50	Hong Kong SAR	128	Gold Coast	47
Brazil	47	Melbourne	127	Tel Aviv	46
		Los Angeles	126		
		Amsterdam	124		
		São Paulo	121		
		Barcelona	112		
		Las Vegas	109		
		Cancun	102		
		Mexico City	101		
		Cape Town	99		
		Rome	98		
		Berlin	95		

⁹ Source: Out Now LGBT2020 Study
Note: the maximum score could not exceed 180

Promoting tourism to the LGBT market

Any absence in the Out Now survey is an interesting insight into LGBT perceptions and perhaps signals a need for cities and countries to take a more active approach in targeting that market segment, although in Asia, that might require a subtler, lower-profile communication approach than in the Western world.

Is it useful to have specific marketing campaigns to the LGBT segment? It certainly appears it is if LGBT-dedicated tourism marketing can significantly influence the choice of destination. When surveyed by CMI, 69% of US LGBT respondents indicated that they would be more likely to select a destination following successful specific campaigns. In addition, 39% indicated that they would spend more and 38% would stay longer. In the same CMI global survey on LGBT travel habits, 62% of surveyed persons said that “exploring a new destination” was their main motivation followed by 60% who were “looking for rest and relaxation” and 54% who were returning to their favourite holiday destination.

A number of official institutions at state, regional and city levels now conduct promotions to the LGBT segment. These are official campaigns conducted by countries including Argentina, Brazil, Sweden, Switzerland and the USA and by cities including Amsterdam, Barcelona, Cape Town, Chicago, Denver, Manchester, Nice, Sao Paulo and Vienna. This list is not exhaustive as more and more countries and cities are introducing dedicated marketing programs for the LGBT travel segment.

Different perceptions in Asia?

Asia however, still appears to be at “ground zero” from a marketing point of view, even Thailand which is already perceived as probably the gay-friendliest destination in Southeast Asia. Many insiders in the travel industry regret the conservative attitude of many officials across Asia - from Ministries to NTOs – due possibly to a fear of negative reaction from the public. “We have to deal with people who have no sense of marketing,” says one NTO official, who wishes to remain anonymous.

Singapore

A soft approach to targeting the gay market is not new however. One of the most obvious approaches in targeting the “pink dollar” was initiated a few years ago by Singapore. More than a decade ago, Singapore wanted to change its image from that of a conservative destination to one that belied a more vibrant, cosmopolitan fun-loving city. Things accelerated following remarks from the then Prime Minister Goh Chok Tong in July 2003 when he stated that gays were already allowed to hold civil service positions in Singapore, remarking that “they are like you and me”.

Suddenly, the Singapore Tourism Board started to include transvestites from the famed Boum Boum cabaret travel show in their promotional shows and tours. In addition, for a few years at least, the annual gay Nation Party was held in conjunction with Singapore’s National Day in August. In 2003, the event attracted some 2,500 foreign visitors generating S\$6 million according to a report by the Far Eastern Economic Review.

Never the less after four years of existence, the event was finally dropped in 2005.



Nepal

One surprising initiative came from Nepal. Following the recognition of the right of same-sex marriage and the legal status of transsexuals by the Supreme Court in 2008, the Himalayan Republic started to promote itself as a perfect venue to celebrate gay weddings. This legalisation of gay marriage status is taken as an opportunity by tourism companies to highlight the country as a gay-friendly destination. In 2011 Lesbian and Gay weddings began to be celebrated and the Nepal Tourism Board now tacitly encourages promotion towards the LGBT. Nepal already has its own tour operator "Pink Mountain" run by Sunil Babu Pant, Nepal's only openly gay MP, who wants to promote Nepal as an adventure and cultural destination.

Comments on Asia generally

By way of contrast, much of Asia is still mulling over the opportunity presented by the LGBT segment. Thailand for example, is very well known to be one of the most visited destinations by LGBT travellers due to the extreme tolerant behaviour of Thai people to anyone. "As one of Asia's leading hotel operators, Dusit International is committed to welcoming guests from around the world, regardless of their origin, nationality, gender or age, offering a service culture and warm welcome that reflects the true spirit of Thai hospitality", says Dusit International CEO Chanin Donavanik. "Thailand is one of the most 'open' societies in Asia and perhaps in the world, as Buddhism has a lot to do with tolerance and acceptance. We tend to accept things and live with them much more easily than others. This culture of tolerance and flexibility is deeply ingrained into our identity. We are proud of it and in many ways it helps Thais to accept most things well. This is not just a behaviour to the foreigners, but also amongst ourselves", he adds.



However, in Thailand as in much of Asia, the reluctance to send a more specific message towards the LGBT market has a negative impact. "Visible inclusion is extremely important. You would not see many destinations around the world officially rejecting one community or another whoever they are. Visibility is something natural for consumers today as it is a sign of natural integration. Ignoring a community is to push them into invisibility", says Ian Johnson, CEO of Out Now.

This lack of recognition then may be distorting the image of many Asian destinations, at least in the eye of LGBT communities. Despite the wealth of attractions and appeal for the gay market across Asia - including sophisticated and trendy hotels and bars, the presence of vibrant fashion and home design scenes, art & culture, famed night-life and beautiful natural attractions - there remains a perception that LGBT travel is mostly sex-related, a view generally shared by both travel players and the public.

This is an example of absent or wrong messaging. What is needed are proper destination-specific LGBT websites, a presence of institutions at LGBT pavilions at large travel shows such as ITB, PATA Travel Mart and WTM and campaigns showing Asia's diversity of products toward the LGBT community - in combination these would definitely bring results.

Brazil

Brazil through its State Tourism Agency Embratur is a good example of a well-targeted campaign. Embratur during ITB 2012 in Berlin highlighted its promotion strategy toward the LGBT Market thus:

- Offer LGBT tourists easy-going destinations that can provide great and unique experiences with all Brazilian diversity and its warm atmosphere;
- Invest in better services under the concept of comfort, wellness, gastronomy, joyful way of living;
- Arouse LGBT tourist curiosity about Brazilian culture, art and history; and
- Create routes of style and fashion to draw LGBT attention to exclusive Brazilian products.

In April 2012, Brazil welcomed the IGLTA (International Gay and Lesbian Travel Association) Annual Global Convention in Florianopolis.

LGBT Events

Acknowledging the LGBT community with an event is also a good marketing tool to highlight a destination's openness toward this market segment. Over the last decade, Pride events and other type of celebrations ranging from Beach Parties (previously hosted in Singapore) to a Film Festival (Jakarta) have been organised. Even the Taungbyone Traditional Dance Festival near Mandalay in Myanmar has recently been advertised as a 'soft' gay-friendly event. Since 2009, this festival has been packed with domestic and some foreign travellers. Most of these events generally generate economic benefits for the hosting venue by attracting a high number of international travellers.

The most prominent LGBT event in Asia Pacific however, is Sydney's Mardi Gras. This event is increasingly turning into a highlight of the Sydney calendar as it is a real festival taking place for three weeks with parades, art events, concerts and various other activities. Some 60 events were organised in 2012 attracting 500,000 participants, including a large number from Singapore and Malaysia. The highlight is the Mardi Gras Parade, which in 2012 attracted close to 10,000 participants. The event has a number of sponsors including Virgin Australia, Etihad Airways, Sheraton Hotels and Tourism NSW. In 2013, Mardi Gras will celebrate its 35th anniversary and as such it will attract a number of tour organisers as well as cruise operators including Atlantis Cruises and the Holland America Oosterdam which will bring 1,800 guests. According to data from Sydney Tourism, Mardi Gras generated some US\$30 million in both 2010 and 2011. It is New South Wales's second largest event in terms of generating revenue.

A more detailed study conducted by Events NSW in 2009 revealed that the Sydney Gay and Lesbian Mardi Gras attracted more than 21,000 tourists to NSW in that year. A media monitoring mechanism also evaluated the press impact: Mardi Gras generated 448 press articles published in interstate and key NSW tourism markets, accounting for a cumulative circulation of over 40 million. Television and radio items broadcast in interstate markets had a cumulative audience of almost 17 million.

The 21,000 visitors from interstate and overseas who came specifically for Mardi Gras, stayed an average of 10.5 nights (in Sydney and NSW) for overseas travellers and 3.9 nights for domestic visitors.

Following the continued success of the Sydney Mardi Gras and after 12 years of absence, the Auckland City Council has now pledged support for the reactivation of the City Pride festival with a NZ\$100,000 (US\$78,300) grant. This festival stopped after 2001 for financial reasons but is now due to reappear in 2013. Funding from Auckland Tourism Events and Economic Development (ATEED) will contribute toward a two-week festival and parade on the 16th of February 2013. An already sold-out gay cruise ship with 1,800 passengers will depart from Auckland during the festival and make its way to Sydney's Mardi Gras.

Asia is also having its fair share of events targeting the gay market. The largest of its kind is hosted every year in Taipei, which is increasingly turning into a gay-friendly destination with an openly gay district in the heart of the city. The Taipei Pride doubled the number of participants between 2009 and 2011 from 25,000 to 50,000.

Singapore recorded 15,000 participants at its 2012 Pink Dot event in June while Bangkok ran an event for 10 years; a Pride in Phuket is also prospering. Manila is having a host of events and even Lao PDR organised its first LGBT Pride event on June 25, 2012 with the support of the US Embassy, attracting over 100 participants.

Tokyo hosted its first Gay Pride in April 2012 organised by Tokyo Rainbow Pride, a private organisation formed last year. Promoters of the event hope to stage a gay pride parade with 50,000 participants within the next five years by expanding its network among not only Japanese but foreigners and tourists as well.



Endorsing and advertising these events worldwide and linking them to other cultural events – as is the case of the Sydney Mardi Gras – would attract even more visitors as the event could become a ‘Festival of the Diversities’. It could also help attract travellers during the low season.

Exhibit 9:

Attendance at selected events with a gay thematic in Asia Pacific (2011)

City	Event	Participants
Bangalore	Pride	1,500
Tokyo ¹⁰	Pride	2,500
Delhi	Pride	3,500
Singapore	Pink Dot	10,000
Phuket	Pride	25,000
Jakarta ¹¹	Q! Film Festival	4,200
Taipei	Pride	50,000
Sydney	Mardi Gras	500,000

Another growing event is Asia Pacific Outgames, a LGBT sporting event. Hosted every three years, two events have already taken place so far in the Pacific: Melbourne in 2008 and Wellington in 2011. The next event will take place in Darwin, Northern Territory in 2014. In 2008, the first event in Melbourne attracted 1,800 participants from 21 countries and was estimated to have generated A\$780,000 including A\$450,000 for lodging, restaurants, shopping and sightseeing. The 2011 Wellington Outgames event was the second largest international sporting event in the New Zealand capital. According to the Wellington City Council, in one week it attracted 1,350 participants from 29 countries and generated revenue for the local economy estimated at between NZ\$1.3m and NZ\$1.7m. Both events also supported a conference on LGBT human rights.

10. Figure for 2012, first year for a Gay Pride

11. Average cumulative number reached 25,000 during six festival editions

Exhibit 10:**Events attracting most LGBT visitors in the USA over the past 12 months (requiring an overnight stay)¹²**

Response	Frequency		
	Gay Men	Lesbians	LGBT Under 35 years of age
LGBT Pride Event	21%	18%	25%
Lesbian Community Event	-	11%	-
LGBT professional association meeting or conference	5%	6%	-
LGBT cultural, arts or film events	7%	7%	7%
LGBT circuit party/dance event	6%	3%	7%
LGBT Theme event	8%	4%	9%
LGBT Sports tournament	2%	2%	-

Attending LGBT events is a key motivator within the LGBT community, generating a high number of hotel nights. On average, gay men, lesbians and LGBTs under 35 years of age spent 3 nights in a destination when travelling for an LGBT event.

Social media and the Internet remain essential communication tools

According to CMI and Out Come consulting, targeting LGBT travellers is particularly efficient through the use of social media and Internet tools. More than three-quarters (76%) of gay travellers agree they "usually book and arrange all holiday travel details myself" compared with 70% of the total population.

Gay travellers are also 50% more likely to book part of their holiday over the Internet (28%) compared to total travellers (18%); this includes booking through websites and via e-mail.

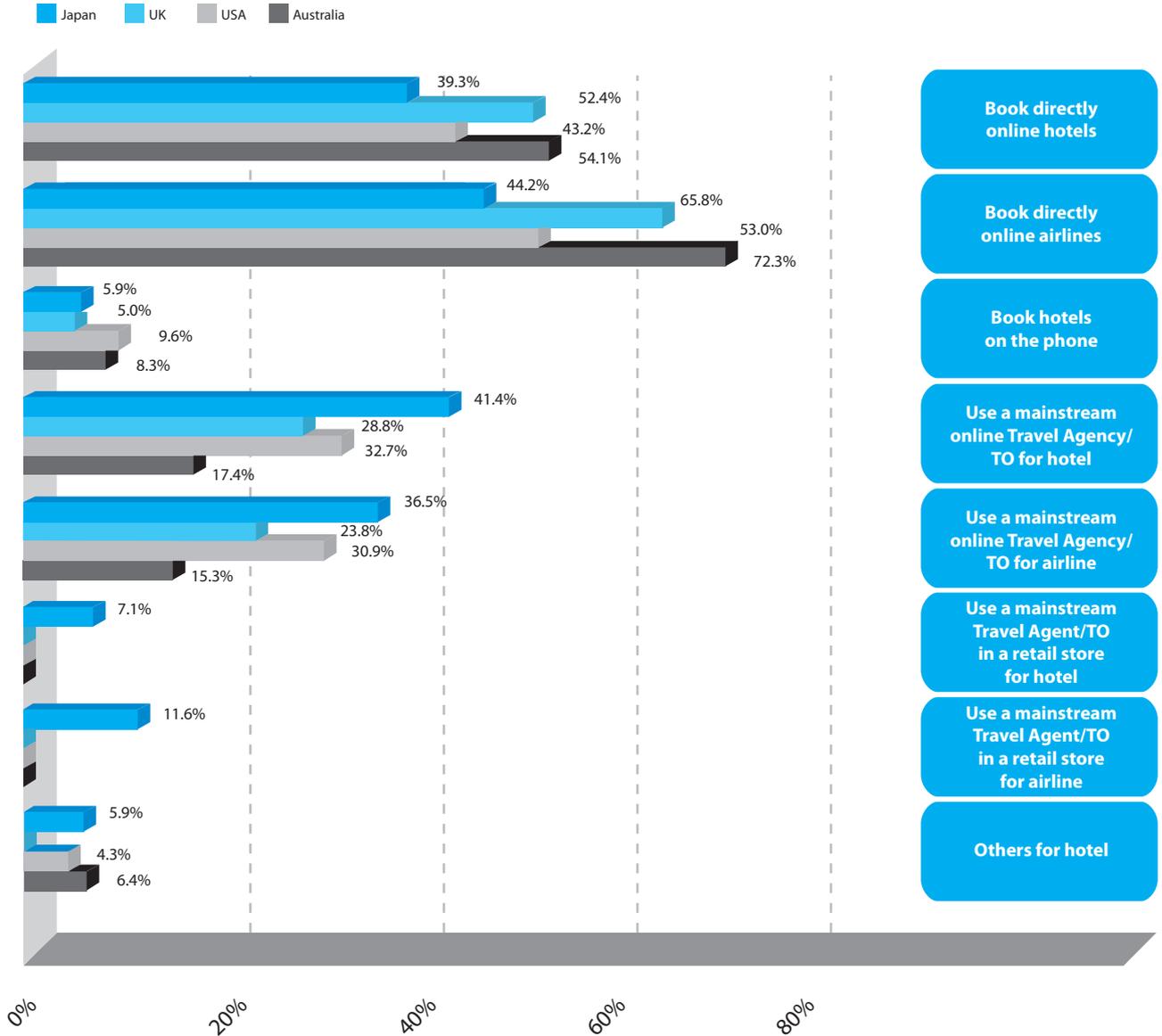
The challenge for marketers and tour operators is to present an appealing message for what they offer to the LGBT holidaymaker early in the planning process. This would provide gay travellers with the opportunity to engage with the destination and potentially lengthen their leisure trip and in turn generate a greater yield.



¹². Source: CMI 2012

Exhibit 11:

When you travel for leisure, which of the following are you most likely to choose for booking hotels/airlines? (% , 2011)¹³



ISSUES & TRENDS

In the Out Come survey, Japanese LGBT travellers tend to be more traditional than their Western counterparts by still choosing to book their airline ticket or hotel accommodation through a travel agency.

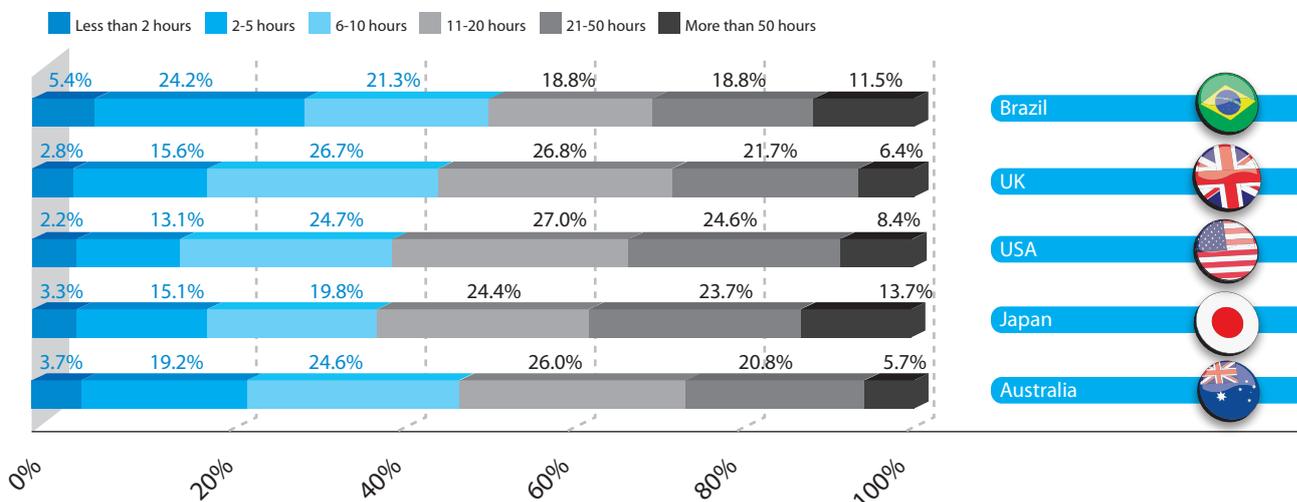
For news stories or events that are relevant to the LGBT market, the CMI study in the USA found that 65.1% of surveyed persons find these in mainstream press or websites, 49.3% through friends on Facebook, 45.9% on LGBT Press or websites, 32.5% in e-newsletters and 31.6% on search engines; only 14.1% found such items on Twitter or through SMS texts from friends.



¹³. Source: Out Come Survey 2011

Exhibit 12:

Use of the Internet for selected LGBT nationalities for private purposes (per week, 2011, in %)¹⁴



Conclusion

Although the LGBT market will still be a niche and specific market segment, its recognition in Asia is just a matter of time. With LGBT travellers becoming more sophisticated and better informed, their desire to be fully acknowledged as a main consumer market is likely to become more visible in the region. Although the LGBT segment is unlikely to become a core strategic market for most Asian destinations - with a few exceptions - recognising LGBT travellers as part of Asia's tourism world will provide a positive image of countries embracing diversity and tolerance, a sensitive thematic today.

Exhibit 13:

Gay and Lesbian legal status and degree of acceptance in Asia¹⁵

Country	Current status about LGBT
Cambodia	Homosexual acts legal
China	2001: official classification of homosexuality as a psychiatric disorder ended
Chinese Taipei	Homosexual acts legal. Same-sex wedding officialised since 2003
Hong Kong SAR	1991: Homosexual acts decriminalised in 1991
India	Homosexual intercourse was a criminal offence until 2009 under the Indian Penal Code, 1860. The law was struck down by the 2009 Delhi High Court decision.
Indonesia	Homosexual acts are permitted with relative tolerance for same sex partners living together.
Japan	Homosexual acts legal
Malaysia	Homosexual acts illegal and punishable with 20 years prison
Nepal	2008 Nepal's Supreme Court recognised same-sex unions.
Philippines	Growing tolerance over the last decade. Non-commercial, homosexual relations are legal
Singapore	Homosexual acts illegal
Korea (ROK)	Homosexual acts legal but LGBT badly accepted by the population
Thailand	Homosexual acts legal
Vietnam	No legal position on homosexual acts but no mention in penal code

¹⁴ Source: Out Come LGTB2020 Survey- Data 2011
¹⁵ Source: various websites, including Wikipedia



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