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TRAVEL AND HOSPITALITY

After 2+ years of troubles, Macau's travel relaxation will be a relief for brands

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Recent travel policy changes indicate that Macau is tentatively beginning to reopen. Brands will be relieved but understandably wary of celebrating just yet. Image credit: Shutterstock

By Huiyan Chen and Jing Zhang



Macau is slowly, very tentatively, opening its borders as several recent travel policy changes show.

After more than two years' suspension, Macau resumed acceptance of smart-travel e-Visa applications Nov. 1, allowing mainland Chinese residents to apply for tourist visas via the pre-pandemic online system rather than the more cumbersome in-person process that limited many visitors. There is no quarantine on arrival just a series of COVID tests.

Macau chief executive Ho Let Seng stated that the move was aimed at reviving the city's tourism-dependent economy.

For the past two-and-a-half years, the territory's famously lucrative casino, entertainment, retail, food and beverage, and travel sectors have been devastated by the pandemic and consequent lack of tourism.

The Macau Government Tourism Office (MGTO) has also announced that the city is ready to welcome package tours from mainland China starting this month.

The Greater China territory has been slow to bring back travel. Only on Sept. 1 did it lift the entry ban for non-resident foreign nationals from 41 countries, including Australia, Canada, United Kingdom and the United States. But testing, a week-long hotel quarantine and three days of self-monitoring remain necessary making it still unattractive for international tourism.

The Jing Take: The city's economy has been hammered due to Beijing's and its own strict COVID-19 controls.

A September visit by one of our *Jing Daily* China team members saw very few other tourists around the territory. The retail, gambling, hotel and entertainment sectors have suffered the most.

So, the re-introduction of streamlined Macau-mainland travel will bring a much-needed boost to the market, driving in more vacationers to the area.

With the positive news about welcoming group tours, hopefully this will convert into some serious numbers as mainlanders seek to satiate their pent-up hunger for travel.

Upon release of the visa news on Oct. 28, the popularity of "Macau" as a keyword on the Tongcheng Travel site reportedly increased by 237 percent over the previous day, while searches for Macau hotels went up by 160 percent, and queries for air tickets and flights between the mainland and Macau by 150 percent. S

hould casinos, brands and retailers rejoice? Yes but many are understandably wary of popping the Champagne just yet. Instances such as the recent sudden two-day lockdown of MGM Cotai Casino, with all guests and workers ordered to stay inside after one dealer tested positive, does not bode well.

"Although the impact of restarting the eVisa scheme was delayed by a small outbreak of a handful of Macau cases, we do expect a significant pick up now that two rounds of mass testing have found zero cases," said Macau retail director of Boy London stores Peter Caplowe, who counts Sands Casino as a landlord.

"We are also excited about the restarting of tour groups, which we understand are being marketed in mainland China with the dates starting from Nov. 13," he said. "It feels like the long-awaited turnaround is starting to happen."

Foreign labels, as well as the government, are certainly ready for a rebound after over two years of suffering.

One CEO, Niccolo Ricci of luxury menswear line Stefano Ricci, was not shy about lamenting "the terrible performance" of the brand's Macau stores these last two years. But hope is on the horizon with these new, more relaxed rules beckoning to domestic tourists.

Additionally, Air Macau announced on Nov. 2 that it plans to increase the number of flights between Macau International Airport and 17 mainland Chinese destinations such as Beijing, Shanghai, Chengdu and Hangzhou in the next two seasons, further indicating an expected influx of visitors to the territory.

For the tourist and retail economy, there is finally light at the end of the tunnel.

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