



# SINGAPORE

CHAPTER

# 7



## SINGAPORE

### HUMAN RESOURCE DEVELOPMENT PROGRAM FOR ENHANCING PROFESSIONALISM AND EMPLOYABILITY

#### I.0 GENERAL INFORMATION

Official Name of “Best Practice” Initiative	Human Resource Development Program For Enhancing Professionalism and Employability
Name of Contributor/ Organization	SHATEC (Singapore Hotel and Tourism Education Centre)
Address/Contact Details	SHATEC, 21 Bukit Batok Street 22, Singapore 659589  Tel: +65 6415 3588 Fax: +65 6415 3530 E-mail: <a href="mailto:courses@sha.org.sg">courses@sha.org.sg</a> Website: <a href="http://www.sha.org.sg">www.sha.org.sg</a>
Year The Initiative Was Started & Completed	1983.
Location of Best Practice Project	SHATEC Main Campus in Bukit Batok
Awards/Recognitions	<ul style="list-style-type: none"> <li>● World Gourmet Summit Award Of Excellence In The Culinary Institute Of The Year (2001-2004).</li> <li>● STB Most Outstanding Contribution to Tourism Award, 1992.</li> </ul>

#### 2.0 KEY SUMMARY

- 2.1 Established in July 1983 by the Singapore Hotel Association, SHATEC is one of the leading hospitality training schools in Asia. With a student population of 1,300 from over 20 countries, it has its own S\$10 million premise, and a staff strength of about 110.

- 2.2 The initiative was mooted in 1981 by the Singapore Hotel Association (SHA) in anticipation of a 100% increase in the number of trained workers required to man the new hotels that were then on the drawing boards between 1982 and 1986. The SHA organized a study mission that visited renowned 'best practice' schools to find a model that could meet the industry's manpower needs, train new entrants into the hotel workforce as well as to upgrade the skills and competence of those already employed in the industry.
- 2.3 SHATEC is now a Centre for Excellence. Its formula in being a bedrock of excellence lies in its facilities, faculty, curriculum, and the focus on attitudes. It offers courses up to higher diploma level and is accredited with renowned American and Australian universities as well as European Institutes of Higher Learning. The main educational programs and services offered by SHATEC can be categorized under 5 main areas:
- Pre Employment Training [PET];
  - Continuing Education And Training [CET];
  - Customized Programs For Corporations;
  - International Training Programs;
  - Hospitality HRD Consultancy Services.
- 2.4 SHATEC is recognized by governments, universities and industry for its service excellence and training methodology which goes beyond the textbook as it encourages and refines the art of reasoning and questioning in learning. Its programs earn credits for degrees in universities. It has grown beyond its original geographical and industrial boundaries. Now the program are delivered all over Asia, including its participation in projects under the banner of the United Nations Development Program (UNDP) and the European Community.

### 3.0 THE OBJECTIVES

- 3.1 Be a leading and excellent hotel and tourism school;
- 3.2 Build a large pool of graduates with good knowledge, skills, character and attitudes;
- 3.3 Develop and hone human resource development (HRD) processes which prepare graduates to be effectively operational from the day they enter the industry.

### 4.0 THE MODEL

- 4.1. A feature of SHATEC that distinguishes it from other hospitality schools is its close link with the industry. As it is owned and managed by the Singapore Hotel Association, it is able to:



- mobilize the support of member hotels in terms of student placement for on-the-job training;
  - keep its curriculum relevant and up to date through direct and frequent contact with industry members; and
  - obtain the services of industry experts in curriculum development, instruction and assessment of students.
- 4.2 The learning approach is unique where the subject matter and learning techniques are fused into a strategy that translates learning principles into application where:
- in this school, an 'A' obtained as a grade in your card is not as important as having a good 'A' in student attitude;
  - towards a balanced growth of its students, SHATEC has developed a well structured and balanced curriculum that enables students to understand the intricate workings of the industry. It combines the apprenticeship system with the teaching of management.
- 4.3 It offers a wide range of hospitality-related programs:
- 4.3.1 **Full time Programs**
- Diploma in Hotel Management (leading to the Higher Diploma in Hotel Management);
  - Diploma in Tourism Management;
  - Diploma in Culinary Skills;
  - Diploma in Pastry and Baking;
  - Certificate in Hotel and Restaurant Operations.
- 4.3.2 **Customized Corporate Programs**
- It has specially tailored programs to cater to the different HRD needs of companies in related businesses;
  - It has conducted customized training programs for Singapore Airlines, Republic of Singapore Navy, Public Service Commission, Brunei's Empire Hotel & Country Club, China's Gloria Hotels, Japan's Matsumoto and Kyorin Universities and others.
- 4.3.3 **International Training Programs**
- As it is international, it has conducted year-long structured in-service training programs for hotel employees in various countries;
  - Some of them are: Malaysia, Mauritius, Myanmar, Nepal, Thailand and Vietnam.
- 4.3.4 **Hospitality HRD Consultancy Services**
- Its consultancy arm undertakes projects across Asia;
  - Some of the key projects are:
    - a) The establishment of Dusit Thani College in Bangkok, Thailand;

- b) The establishment of the Shangri-la Academy in Langfang, China;
- c) Implementation of a 'Training Franchise' scheme with Malaysian Association of Hotels.

## 5.0. THE IMPACT

5.1 While SHATEC benefited from its link with the industry, the industry has also benefited from the institution that is devoted to meeting its manpower needs. Some evidences are:

- It is a key source of new manpower supply for the industry;
- It trains and re-trains the existing manpower within the industry. It has trained about 500 new hotel workers and re-trained some 1,800 hotel staff and workers of allied sectors each year;
- In 21 years, it has played a key role in raising the skills levels of hotel workers and the overall quality of hotel service;
- It has also contributed significantly to improving worker productivity indicated by a reduction in the room-manning ratio from 1.3: 1 in 1981 to a current industry ratio of 0.7: 1.

5.2 Its other successes are:

- In a span of 10 years, it has conducted up to 9,000 training places through its systematic certificate and diploma programs for hospitality executives in regional countries including Malaysia, Mauritius, Myanmar, Vietnam and Thailand;
- Its graduates have done exceedingly well and are holding key positions as industry's leaders and captains.
- Its Diploma and Higher Diploma programs have been audited by the University of Massachusetts (UMass) and are equivalent in standards and rigor to a substantial part of their UMass BSc in Hospitality and Tourism Management (HTM) degree program;
- Its Diplomas also earn credits for degree programs in other renowned universities. It has formal articulation arrangements with numerous universities;
- SHATEC has built an alumnus that is 18,000 strong, providing a formidable international network.

## 6.0 LESSONS LEARNED

6.1 One important lesson is that the industry must take responsibility for its own training needs. SHA took responsibility for the needs of the hotel sector. While the public sector can help with funding and other forms of support, the initiative and the effort must come from the industry itself.

- 6.2 It must be recognized that the industry is best placed to identify its own manpower needs and is able to match the output of manpower to its needs, in terms of numbers and quality (standards) as well as its future needs.
- 6.3 In the same light, it must be industry-driven and thus must have the vigor and dynamism to attune itself to changing needs for higher productivity improvement.
- 6.4 There is a need to have a system of external accreditation, either national or international or even both, to ensure that the standard of training and education is at or above par. The other benefits are that the graduates are better 'internationalized' and that these programs can cater to the needs of other countries as well.
- 6.5 Despite its astounding achievements, there are still gaps in training for the hotel industry. SHATEC realizes a need for a vertical integrated training infrastructure where a hotel worker, who starts at entry point, has a clear training and development pathway to help him grow his capability.
- 6.6 This brings about another key point where there is a need for constant reviews of training programs and their methods for greater effectiveness. In this direction, the Hospitality Agenda 21 of the Singapore Hotel Association is on the right pathway to tackle the challenges of the new economy.



## SINGAPORE

### MARKETING AND PROMOTION OF COMMUNITY-BASED CULTURAL / HERITAGE TOURISM PRODUCTS

#### I.0 GENERAL INFORMATION

Official Name of “Best Practice” Initiative	Marketing and Promotion Of Community-Based Cultural / Heritage Tourism Products
Name of Contributor/ Organization	Banyan Tree, Angsana Gallery & Museum Shop by Banyan Tree
Address/Contact Details	Banyan Tree Gallery 211 Upper Bukit Timah Road Banyan Tree Building, Singapore 588182  Tel: +65 6849 5761 / 6848 5765 / 6849 5778 Fax: +65 6462 4883 Email: <a href="mailto:gallery@banyantree.com">gallery@banyantree.com</a> Website: <a href="http://www.banyantreegallery.com">http://www.banyantreegallery.com</a> Contact Persons: Applelynn Teo & Angelina Hue
Year The Initiative Was Started & Completed	1996 - Banyan Tree Gallery Phuket
Location of Best Practice Project	Banyan Tree Gallery Phuket [flagship store] Thailand
Awards/Recognitions	<ul style="list-style-type: none"> <li>● Rose Silver Award 2004 - Maldives Diving and Eco-Tourism, Banyan Tree Maldives.</li> <li>● World’s Leading Responsible Tourism Internet Site, World Travel Awards 2004.</li> <li>● President Of the Maldives Green Resort Award 2004.</li> <li>● Best Responsible Tourism Site, Travel Mole Travel &amp; Tourism Web Awards 2004.</li> <li>● President Of the Maldives Green Resort Award 2002.</li> </ul>



- PATA Award In These Categories:
  - Gold Award for Heritage, 2003
  - Grand Award for Corporate Environmental Program, 2002
  - Top Corporate Environmental Award, 2001.
- Kuoni Travel 'Green Planet' Award 2002 and 2001.
- Travel Weekly 'Top Hotel Group Innovator' Award.
- Travel Asia Breakthrough Eco-Awards 1999.
- British Airways Tourism For Tomorrow Highly Commended Award, 1998 and 1997.
- Theodore M. Sperry Award, 1998.
- Environment Preservation Award 1996 - Maldivian Government.
- American Express & The International Hotel Association - Environment Award 1992.

## 2.0 KEY SUMMARY

- 2.1 Banyan Tree Gallery (BTG) is an enterprise that carries out its business in a socially directed manner. As the retail arm of the Banyan Tree Hotels & Resorts, it is a lifestyle-oriented boutique, which offers holistic spa products, traditional handicrafts, eco-friendly products and resort-style home furnishings.
- 2.2 The gallery is the brainchild of Ms Claire Chiang, Managing Director of Banyan Tree Gallery. The birth of the gallery and its ethos came about when the Yasothorn community in North Thailand was contracted to produce 500 sets of 'maun' or triangular-shaped cushions for the interiors of the resorts in Laguna Phuket in 1989. The proceeds from the sale were distributed to the village women artisans, and the leftover funds were channeled to support the Santitham Vidhayakhom School.
- 2.3 This organization has successfully added a social dimension to their tourism business. It deliberately reaches out to indigenous community to support time-honored craft skills and uses the galleries as a marketing channel and the resort chain as a platform to showcase the cottage crafts.



- 2.4 Products range from rattan pillows and recycled carriers weaved from paper to colorful embroidered bags and neck rolls from the Mien hill tribe in Thailand; the intricate jewelry by Thai silversmiths in Surin province, the Khmer silk pouches



by landmine victims in Cambodia, and the batik greeting cards by women living in the impoverished parts of Indonesia. Other products include Nepalese pashminas, Laotian silk shawls, Thai ikats, Indonesian batiks, polo tees, logo bottoms, cotton dresses, happy coats, resort slippers, beach bags and many others.

- 2.5 Their contribution here is a clear testimony and reflection of the resort group's corporate social responsibility as well as its ethos to reach out and empower villagers. To sum this up in words, 'it is retailing with a difference'.

### 3.0 THE OBJECTIVES

- 3.1 Uphold ecological consciousness and community empowerment through its support of heritage crafts; and provide gainful employment for the local communities to produce handicraft products located within all the Banyan Tree resorts;
- 3.2 Conserve natural and cultural resources. Contribute to the conservation of traditional crafts and skills, and prevent the further decline of cottage industries throughout Asia;
- 3.3 Serve as a marketing platform for these traditional craft skills to flourish; and also to enable Asian artisans and villagers to showcase their indigenous artistry such as basketry, fabric weaving, embroidery, paper craft, silver craft, woodwork, stone carving and pottery;

### 4.0 THE MODEL

- 4.1 Its business model does not center on luxury tourism as much as it is in the conservation, development and promotion of traditional crafts and artistry.
- 4.2 Its policies reflect the 'corporate social responsibility' of the Group, which is reflected in the resort construction and design, staff empowerment,



compensation packages, community support, and sourcing for their needs from local suppliers and industries, etc.

- 4.3 It adheres to a strict product development and purchasing policy to ensure that the use of ozone-harming products such as plastics is kept to a minimum. In support of animal rights, no shell, leather and ivory are used in their products. Natural, indigenous and recyclable materials are utilized in creative means to churn out eco-friendly products.
- 4.4 Walking into a Banyan Tree Gallery is a complete sensory experience with the aromatic essential oils wafting and the sound of soothing spa music in the air.
- 4.5 Every piece of handicrafts carried in the Banyan Tree Gallery tells a story of inherited skills. Products are accompanied by a write-up on the craft, its origins and creator to educate the customers about the diverse Asian handicrafts, heritage and culture. Some products also carry an environmental message from the Banyan Tree Group.
- 4.6 It enhances the marketability and sustainability of cottage crafts by making it a point to share market knowledge; like trends, pricing and customers' preferences, with the village producers. An example is the Ban Tao village, Thailand, which produces baskets using krajood (bulrush reeds) and they are now working with designers from the Gallery to expand their range of products after attending a Banyan Tree Phuket workshop in 2000.
- 4.7 At least once a year, there is an education and motivation program where the merchandizing team will visit the villagers to build rapport and exchange new ideas.
- 4.8 This retail venture is well acclaimed for setting industry standards for excellence and innovation. Some examples are:
  - It is their current business practices to pay the quoted prices upfront to the producers so that they have the necessary capital to manufacture the handicraft;
  - The emphasis on quality enables them to retail these products at their resorts and other retail outlets targeted at premium markets;
  - The high mark-up allows funds to be ploughed back into community programs.

## 5.0 THE IMPACT

- 5.1 Since its flagship store opened in Phuket in 1996, the gallery has become a ubiquitous feature of all Banyan Tree and Angsana Spa resorts. BTG embodies 'Shopping as ART' where the handicrafts products provide a 'sense of place' as an insight into the culture and lifestyle surrounding the resorts. To date, the Banyan

Tree Group operates 51 retail galleries in 16 countries globally.

5.2 Embarking on projects to promote awareness of the various communities in the locations where Banyan Tree resorts are situated, Banyan Tree Gallery has a

wide network of village producers and project partners around the region. In the course of Banyan Tree Gallery's operations, the community outreach has extended from across Thailand to Laos, Cambodia, India, Nepal, Sri Lanka, Indonesia, Malaysia and Singapore.



5.3 By working closely with village cooperatives and non-profit craft marketing agents in Asia, Banyan Tree Gallery, Angsana Gallery and Museum Shop (by Banyan Tree) have helped to conserve the unique culture and heritage of the villages while sustaining their livelihoods.

5.4 It has been used as a model for social entrepreneurship by the Ministry of Community Development and Sports, Singapore, for its program to nurture the business enterprise in a socially directed manner.

5.5 By commissioning local village handicrafts for the villas and restaurants in Banyan Tree resorts, and using these 50-over retail outlets as a marketing channel, sufficient demand has been generated to help make these products commercially viable which brings about substantial socio-economic development benefits to the local communities. Here are some examples:

- Some villagers had reportedly earned enough to set up their own factories, creating wealth and improving life in their own communities;
- The bamboo basket weaving project has enabled the Mooser hilltribe women weavers in Chiangmai to work alongside their husbands, while supervising their toddlers at play;
- Likewise, the women from Narathiwat, southern Thailand, started to earn a reasonable income from selling Krajoed basketry products, and are earning more than their fisherman husbands;
- Employment has therefore prevented many women in northern Chiang Mai from entering a life of slavery and prostitution.
- In Sri Lanka, through the sale of elephant dung paper products like photo frames and notebooks, the Millennium Elephant Foundation in Sri Lanka is able to help sustain the welfare of elderly and disabled tuskers, bringing aid to sick elephants in the wild while raising international awareness of the threat faced by elephants.



## 6.0 LESSONS LEARNED

- 6.1 The people behind these organizations are true proponents of sustainable tourism management. They have incorporated social and environmental considerations from the very start; which include design, constructions and operations of the resorts (in Phuket, Maldives, Bantam); and the resort resounding success today is testament that this is a good business practice.
- 6.2 In an age where society expects greater social responsibility and ethics from business organizations, having such business virtues and practices can attract a large group of potential clients.
- 6.3 Leveraging on local culture and art is more than an innovative product development, it is also about brand building and identity which Banyan Tree has used to maximum effectiveness.
- 6.4 Profit margins are usually high when the local community is made into business partners, allowing a lot more to be channelled back to both the coffers of organizations as well as to the local community programs.

## SINGAPORE

### TOURISM DESTINATION RE-BRANDING AND REPOSITIONING

#### I.0 GENERAL INFORMATION

Official Name of “Best Practice” Initiative	Tourism Destination Re-branding And Repositioning
Name of Contributor/ Organization	Sentosa Leisure Group
Address/Contact Details	<p>Sentosa Leisure Group 33 Allanbrooke Road, Sentosa, Singapore 099981</p> <p>Tel: +65 6275 0388 Fax: +65 6275 0161 Email : administrator@sentosa.com.sg Website: <a href="http://www.sentosa.com.sg">www.sentosa.com.sg</a></p>
Year The Initiative Was Started & Completed	1972
Location of Best Practice Project	Sentosa Island, Singapore
Awards/Recognitions	<ul style="list-style-type: none"> <li>● Tourism Host Of The Year – Leisure Attractions Category, 2006.</li> <li>● The Awards for Outstanding Achievement, 2006 by Themed Entertainment Association (TEA).</li> <li>● Souvenir Of The Year Award (IAAPA) 2005.</li> <li>● Two Brass Rings Awards (IAAPA) 2005 For Best Brochure And Best Print Advertisement.</li> <li>● Guinness World Record 2005 By Sentosa Balloon Hat Festival 2005.</li> <li>● Hospitality Asia Platinum Award 2004-2005 (Sentosa Golf Club Adjudged The Best Golf And Country Club In Singapore).</li> </ul>



- Pinnacle Awards 2004 (3 Gold, 4 Silver And 2 Bronze) By The International Festival And Events Association.
- Two Brass Rings Awards (IAAPA) For Best Print Advertisements, 2004.
- IAAPA's Best Guest Services Training Program Award, 2004.
- Guinness World Record 2004 By Sentosa Balloon Hat Festival 2004.
- Singapore Superbrands Awards In Entertainment, Education, Media, Leisure & Travel, 2004.
- IFEA Pinnacle Award, 2002 & 2004.
- IAAPA Spirit of Excellence Award In Best Guest Services Program, 2004.
- Brass Ring Award (IAAPA) For Best Print Advertisement, 2003.
- SPRING (The Standards, Productivity and Innovation Board ) Excellent Service Awards In:
  - People Developer Award ,Singapore.
  - Quality Class Awards, 1998, 1999, 2000, 2003, 2004.
  - Honors Top Star Performers For Outstanding Service & Role Model For The Service Industry.
- Association of Consulting Engineers, New Zealand Inc. Merit Award, 1996.
- FIABCI Prix D 'Excellence, 1994.
- CIDB Best Buildable Design Award, 1994.
- CIDB Awards for Construction Excellence, 1993 & 1994.

- Tourism for Tomorrow Environmental Tourism Award, 1992.
- Singapore Tourist Promotion Board Tourism Awards For Best Leisure Attraction, 1991 1994 & 1995.
- ISO 9002 certification.

## 2.0 KEY SUMMARY

- 2.1 Sentosa Island is an integrated lifestyle destination of a family resort, nature park, heritage centre, health retreat, and others, all rolled into one.
- 2.2 The island was once a fishing village known as Pulau Belakang Mati, and was later converted into a military fort by the British during the Second World War. In 1967, the island was handed back to the Singapore government and a year later, it was developed as a holiday resort. It was renamed 'Sentosa', which means 'peace and tranquility' in Malay.
- 2.3 Sentosa is managed by the Sentosa Development Corporation (SDC) as a statutory board under the Ministry of Trade and Industry. Sustainable management approach was incorporated in the construction of the island resort to take advantage of its natural state, lush vegetation, sea location with conservation of its heritage structures through sensible adaptive reuse. Accessible by cable car, bus, taxi or car, the island is open 24 hours a day, 365 days a year. Packed with events all year round, the facilities ranged from water sports, nature trails, and hotels to a spectacular musical fountain, military fort, sky tower and the iconic Merlion.
- 2.4 The Sentosa Island's initiative is about re-branding and repositioning of a star resort to a superstar that involves a whole process of rejuvenating and revamping the island's tourism attractions. Sentosa's success at where it is today is mainly through its ability to reinvent itself to stay fresh and find a niche in the leisure market to securely position itself and its products.
- 2.5 There are both macro and micro factors that spurred the need for this 'rejuvenation' program:
  - 2.5.1 **Macro Aspects**
    - The 3 global 'disasters' of the Asian financial crisis, 9/11 and SARS which led to a sudden and sharp decline in visitor arrivals;
    - The competition in Asia as a tourism destination is growing very fast and the profile of the tourists to Asia is also changing fast. It therefore has to move even faster to re-invent itself.



### 2.5.2 Micro Aspects

- The declining tourism appeal of Sentosa as a value-for-money destination and its relative inaccessibility;
- This led to a chain of negative repercussions, starting with tenants who did not deliver the expected level of service to loss of investors' confidence and to poor staff attitude and morale.

Refer to Appendix 2 for the Sentosa's Milestones Towards Redevelopment & Rejuvenation.

## 3.0 THE OBJECTIVES

- 3.1 Lead Singapore's tourism industry by providing world class exciting attractions, friendly service and tourism appeal to the island;
- 3.2 Propel Sentosa to the very top as Asia's Premier Resort Destination;
- 3.3 Provide memorable experience to visitors from around the world and a favorite leisure destination for Singaporeans;
- 3.4 Drive an immediate increase in visitors;
- 3.5 Capture a bigger domestic market.

## 4.0 THE MODEL

- 4.1 The Sentosa S\$8 billion Master Plan is a massive rejuvenation project to deliver the 'new Sentosa identity', which includes:
  - Good quality service;
  - Innovation;
  - Fun & entertainment;
  - Value for money.
- 4.2 Structurally, it involves redeveloping 3 key areas: Sentosa Island, Sentosa Cove and Southern Islands that focuses on:
  - Infrastructural improvements to make the island more accessible. An integral part to the entire plan is the Sentosa Express, a S\$140 million MRT to whisk visitors on and off the island efficiently and seamlessly;
  - Development of new attractions [e.g. Sky Tower, The Luge] and revitalization of existing ones (e.g. Musical Fountain, The Merlion, Fort Siloso, Images of Singapore and Palawan Beach, etc);
  - Creation of 3 distinct zones on the island that focus on specific visitor needs of beach, entertainment and the green zone;



- Development of a S\$4 billion marina-oriented residential lifestyle project. It will have 10,000 residents in 2,600 up-market homes when completed by 2008.

4.3 Strategically, it involves putting focus under a 3-phase plan:

#### 4.3.1 The Immediate Term

- Elevating service standards throughout the island;
- Standardizing the level of service for all its partners/operators;
- Removing barrier to entry by lowering admission charges;
- Instilling investor's confidence that Sentosa is a well managed organization;
- Changing its business model in seeing the island operators as partners instead of rent paying tenants;

#### 4.3.2 The Near Term

- Establishing a premier brand positioning as the 'center of service' in the resort and leisure industry;
- Creating an anticipation of new, quality product offerings to come.

#### 4.3.3 The Long Term

- Achieving the near term objectives will in turn help to accomplish the long-term mission of turning Sentosa into a premier leisure destination in Singapore. It will then be able to leverage on the brand name and management expertise it has gained during this process to replicate the model regionally and become the defacto leisure group operator in the region.





- 4.4 Organizationally, it involves repositioning and realigning the organization for a market-driven focus on:
- Taking an increasing control over retail and F&B operations;
  - Strengthening the Retail, Sales & Marketing divisions;
  - Setting up of new departments like Strategy Development, Food & Beverage (F&B) and Service Quality & Development (SQ&D);
  - Removing failed partnerships through closing over S\$100 million of private invested capital comprising of 13 poor performing attractions and retail and replacing them with a mix of Sentosa operated and private established brand names;
  - Setting up of Asia's first tourism academy on a resort island as a strategic tool for developing its human resources.

## 5.0 THE IMPACT

- 5.1 Sentosa recognizes that the key towards maintaining its tourism appeal and market sustainability is through revamping, revitalizing, re-branding and repositioning the product and resort. This strategy has served Sentosa very well and as a result, it has evolved as one of the premier resorts in the region; attracting over 5 million visitors in 2004. With the completion of the redevelopment plan, Sentosa expects to attract more than 8 million visitors annually and generate more than S\$1 billion in revenue by the year 2010.
- 5.2 All the efforts put in the Sentosa Master Plan since 2002 have also shown encouraging results:
- Increased visitors despite the tourism worst crisis period:
    - 2002 - 4.1 million,
    - 2003 - 4.15 million,
    - 2004 - 5.1 million.
    - There had been a 24% increase in visitation to Sentosa between 2002 and 2005;
  - Sentosa's visitors penetration into all of Singapore's arrivals has increased to 25%, that is, 1 in every 4 tourists comes to Sentosa;
  - For every one public sector Singapore dollar invested, it has attracted two private sector Singapore dollars;
  - The change of perception after the 'Take a New Look' campaign is clearly shown in these statistics:
    - 57% - more favorable;
    - 41.4% - remained the same;
    - 1.6% - less favorable.
  - Increased investor confidence; attracting new investors like Pontiac Land, NTUC, Delifrance, Sky Tower, The 'Luge', etc. Overall there has been an additional US\$1.68 billion been invested since 2002;
  - Every year, Sentosa makes it into Singapore's top visitor attraction list;
  - Fort Siloso saw a 48% increase in visitors arrival after its refurbishment

and the Merlion drew a 16% increase in visitors when it reopened after the revamp;

- For 2003, despite being one of the most difficult years in Sentosa's history (terrorism and SARs), it achieved a 23-fold increase in private investments;
- For 2004, the private sector injected S\$560 million of investment into Sentosa;
- Sentosa has set a new Guinness World Record with its signature event - Sentosa Balloon Hat Festival 2004;
- Increased domestic visitors by 28% in 2003 as compared to a year earlier as a result of its efforts to reduce entry fees;
- Increased visitors by 40% in 2002 as a result of its efforts from overall admission fees;
- Increased in islander annual pass membership by 60% of 20,000 members in 2004 over the previous year;
- As have mentioned earlier, it has won a long string of local and international awards.

## 6.0 LESSONS LEARNED

6.1 Sentosa's Customer's Philosophy in believing that people are intrinsically good, giving guests the full benefit of doubt whenever they present problems or complaints is an effective way of putting the onus on its service personnel to get it right from the first time; thus making them provide customer service more seriously and positively.

6.2 Employees are empowered and are entrusted with the responsibility of spending small amounts of resort money on guests with no questions asked and no need for record keeping. As an example, if a child drops a new ice cream cone on the ground, it is replaced free of charge or if a guest claims to have lost something on Sentosa grounds, it is replaced immediately.





- 6.3 Sentosa's new business model in recognizing the importance of 'economic alignment' with their tenants/operators as partners means it is also their economic interest that succeeds well. This is done through a flexible rental scheme (of lower rates of 10-20% in times of economic contraction) and also a synergized sales and marketing efforts with them.
- 6.4 It shifted from the reliance on the mandatory admission fees to discretionary spending where these fees are lowered in return for higher spending inside the resort island, thereby generating more revenue.
- 6.5 Sentosa also learned that by engaging its partners to develop new ideas and attractions, refresh facilities, raise service standards, and others, it can also has the powerful effect of raising the island's fun quotient.
- 6.6 It therefore becomes very important that the operators and tenants are carefully selected only when they share the same philosophy and values with the principal. Building of a one identity and ensuring its success requires that this is experienced at every point on the island and in every activity that contributes to the customer experience. So it is everyone's job and must be every one's passion to serve the customer well.
- 6.7 It realized the high sensitivity of the international tourism market to the many uncertain events in the region and the world. Domestic tourism therefore plays a crucial role in Sentosa's recovery efforts. Efforts are continually in place to build a strong home base market of 60% of total arrivals for the 'cushioning effect' should anything untoward happens.
- 6.8 The continued growth of the resort industry requires long term commitment to continually invest and add new activities both by the principals and partners so that the resort continually stays fresh to overcome declining product cycles.