Chinese Outbound Tourism Market Overview & Trends

Dragon Trail International
Topics

- Market recovery is uneven
- Major changes in consumer behaviour
- The industry is adapting
According to China’s National Immigration Bureau, there were 5.17 million border crossings during the New Year holiday (30 December-1 January). This is 4.7 times the previous year’s figure and 100% of the 2019 figure.
Flight Master's data shows that there were a total of 40,900 international outbound flights during the New Year holiday, representing a recovery rate of 57% compared to the same period in 2019. Among the countries with the highest recovery of flight volumes, Singapore, Russia, the UAE and the UK all had flight recovery rates of more than 90% of their 2019 levels.

*Note: Macau, Hong Kong and Taiwan are not included.
Asia remains the most popular outbound tourism destination, with 61% of travellers choosing to visit Asian countries in 2023. There has also been a significant increase in the number of travellers choosing Europe as a destination, rising from 19% in 2019 to 23% in 2023. The attractiveness of Europe as a tourist destination has increased significantly.
# Chinese Outbound Travel Policy – Group and Package Travel

## Asia (33)

First batch (10): Thailand, Indonesia, Cambodia, Maldives, Sri Lanka, Philippines, Malaysia, Singapore, Laos, United Arab Emirates

Second batch (11): Nepal, Brunei, Vietnam, Mongolia, Iran, Jordan, Kazakhstan, Uzbekistan, Georgia, Azerbaijan, Armenia

Third batch (12): Oman, Pakistan, Bahrain, Republic of Korea, Qatar, Lebanon, Bangladesh, Myanmar, Japan, Türkiye, Israel, India

## Europe (41)

First batch (3): Russia, Switzerland, Hungary

Second batch (11): Serbia, Croatia, France, Greece, Spain, Iceland, Albania, Italy, Denmark, Portugal, Slovenia

Third batch (27): Ireland, Estonia, Andorra, Austria, Belarus, Bulgaria, North Macedonia, Belgium, Bosnia and Herzegovina, Poland, Germany, Finland, Netherlands, Montenegro, Czech Republic, Latvia, Lithuania, Liechtenstein, Luxembourg, Romania, Malta, Monaco, Norway, Sweden, Cyprus, Slovakia, United Kingdom

## Africa (28)

First batch (3): Egypt, Kenya, South Africa

Second batch (7): Tanzania, Namibia, Mauritius, Zimbabwe, Uganda, Zambia, Senegal

Third batch (18): Algeria, Ethiopia, Benin, Botswana, Equatorial Guinea, Cape Verde, Ghana, Cameroon, Côte d’Ivoire, Rwanda, Madagascar, Malawi, Mali, Morocco, Mozambique, Seychelles, Sao Tome and Principe, Tunisia

## North America (14)

First batch: Cuba

Second batch (5): Panama, Dominican Republic, El Salvador, Dominica, Bahamas

Third batch (8): Antigua and Barbuda, Barbados, Grenada, Costa Rica, United States of America, Mexico, Trinidad and Tobago, Jamaica

## South America (10)

First batch (1): Argentina

Second batch (3): Brazil, Chile, Uruguay

Third batch (6): Peru, Ecuador, Colombia, Guyana, Suriname, Venezuela

## Oceania (12)

First batch (2): New Zealand, Fiji

Second batch (3): Vanuatu, Tonga, Samoa

Third batch (7): Australia, Papua New Guinea, Cook Islands, Federated States of Micronesia, Northern Mariana Islands, French Polynesia, New Caledonia
Visa ranking

China

62nd
CURRENT RANKING

85
VISA-FREE DESTINATIONS

People’s Republic of China

PASSPORT
Travel Regions

Some key regions see potential for growth compared to their current sales capacity.
Young Travelers

The post-90s generation remains the main force and the post-00s generation shows great potential.

Source: Ctrip
Chinese FIT travellers can be categorized into 10 precise personas.
Purpose of Outbound Travel

- **Try local food**: 55.0%
- **Experience local customs**: 53.8%
- **Visit landmarks (museums, architecture, etc.)**: 49.6%
- **Beach & sea**: 48.6%
- **Enjoy natural scenery**: 48.3%
- **Shopping**: 25.5%
- **Slow travel (e.g., city walk)**: 22.0%
- **Specific events (e.g., music festivals)**: 15.5%
- **Outdoor adventure/sports**: 14.6%
- **Family travel**: 14.5%
- **Education (e.g., study tours)**: 8.8%
- **Wellness (e.g., spa, hot springs)**: 8.4%
- **Responsible travel (e.g., volunteering)**: 5.9%
- **Visit friends and relatives**: 4.7%
- **Business**: 3.7%
- **Other**: 0.6%

**Local experiences**
- Landmarks
- Natural scenery
Types of Travel

Although FIT travel has grown considerably GROUP is still key

- **Which kind of travel products do you sell?**
  - Bookings for independent travelers: 69%
  - Group tours: 68%
  - Customized/private tours for small groups: 68%
  - Others: 2%

- **In your experience, which kind of travel products are the most popular in 2023?**
  - Bookings for independent travelers: 42%
  - Group tours: 34%
  - Customized/private tours for small groups: 24%
  - Others: 1%
Size and Demographics

There is a trend towards more personalized and smaller groups and a greater need for millennials.

What size group tours are most popular now?

<table>
<thead>
<tr>
<th>Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-10 people</td>
<td>46%</td>
</tr>
<tr>
<td>11-20 people</td>
<td>53%</td>
</tr>
<tr>
<td>21-49 people</td>
<td>22%</td>
</tr>
<tr>
<td>50+ people</td>
<td>10%</td>
</tr>
</tbody>
</table>

What is average age/generation for your customers in 2023?

<table>
<thead>
<tr>
<th>Generation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Post-00s</td>
<td>33%</td>
</tr>
<tr>
<td>Post-90s</td>
<td>72%</td>
</tr>
<tr>
<td>Post-80s</td>
<td>58%</td>
</tr>
<tr>
<td>Post-70s</td>
<td>34%</td>
</tr>
<tr>
<td>Post-60s</td>
<td>16%</td>
</tr>
<tr>
<td>Post-50s</td>
<td>2%</td>
</tr>
<tr>
<td>Post-40s</td>
<td>1%</td>
</tr>
</tbody>
</table>
Customer Preferences

What do you think is the most important thing your customers are looking for when they book travel?

(N=101)

- High Quality/Comfort: 80%
- Interesting Destination: 75%
- Unique Experiences: 74%
- Small Group Size: 51%
- Full Itinerary: 46%
- Low Price: 29%
- Others: 1%
Chinese outbound travellers in 2023 are more likely to plan a month in advance, with trips lasting an average of 4-7 days.

How far in advance did you start planning your most recent 2023 outbound trip? N=44

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 month before traveling</td>
<td>43.2%</td>
</tr>
<tr>
<td>2 months before</td>
<td>18.2%</td>
</tr>
<tr>
<td>3 months before</td>
<td>11.4%</td>
</tr>
<tr>
<td>4-6 months before</td>
<td>18.2%</td>
</tr>
<tr>
<td>7-12 months before</td>
<td>4.5%</td>
</tr>
<tr>
<td>1-2 years before</td>
<td>4.2%</td>
</tr>
</tbody>
</table>

How long did your outbound trip last? N=44

<table>
<thead>
<tr>
<th>Duration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3 days</td>
<td>13.6%</td>
</tr>
<tr>
<td>4-7 days</td>
<td>38.6%</td>
</tr>
<tr>
<td>8-14 days</td>
<td>18.2%</td>
</tr>
<tr>
<td>15-30 days</td>
<td>18.2%</td>
</tr>
<tr>
<td>&gt;30 days</td>
<td>11.4%</td>
</tr>
</tbody>
</table>
# Channels Used for Destination Information

<table>
<thead>
<tr>
<th>Channel</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chinese social media (WeChat, Weibo, Xiaohongshu)</td>
<td>72%</td>
</tr>
<tr>
<td>Travel agencies and tour guides</td>
<td>46%</td>
</tr>
<tr>
<td>Friends, family, acquaintances</td>
<td>44%</td>
</tr>
<tr>
<td>Travel blogs/KOLs</td>
<td>39%</td>
</tr>
<tr>
<td>Travel websites/OTAs</td>
<td>37%</td>
</tr>
<tr>
<td>Tourism board official channels</td>
<td>21%</td>
</tr>
<tr>
<td>Foreign social media (YouTube, Instagram)</td>
<td>17%</td>
</tr>
<tr>
<td>Destination business websites (e.g., restaurants, attractions, shopping center)</td>
<td>12%</td>
</tr>
<tr>
<td>Embassy official channels</td>
<td>11%</td>
</tr>
</tbody>
</table>

Source: Dragon Trail September 2023 Chinese Traveler Sentiment Report
Travel Trade Overview
An Overview

4,500+

Mainland Chinese travel agents focus on outbound travel

ADS

Most countries have regained their post-pandemic status
Engaging With Travel Trade

Being present and localized in the market is the best way to grow your commercial relationships.

If you were working with an overseas destination or travel business, what information/resources would help you the most? (N=101)

- Meeting at an offline event: 61%
- Online training course: 56%
- Live webinar: 56%
- Videos: 53%
- Written materials in Chinese: 52%
- Photos: 43%
- Written materials in English: 38%
- Others: 1%

Which languages are you comfortable communicating in for work? (N=101)

- Chinese (Mandarin): 94%
- English: 56%
- Chinese (Cantonese): 19%
- Others: 1%
Trade Fairs

Manage your attendance to get a regional spread across the country

<table>
<thead>
<tr>
<th>Event</th>
<th>When and where</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>GITF (Guangzhou International Travel Fair)</td>
<td>Guangzhou</td>
<td>Domestic focused, but good way to tap into southern Chinese market</td>
</tr>
<tr>
<td>IT&amp;CM China (Incentive Travel &amp; Conventions, Meetings)</td>
<td>Shanghai</td>
<td>MICE event</td>
</tr>
<tr>
<td>COTTM (China Outbound Tourism and Travel Market)</td>
<td>Beijing</td>
<td>Well organized, trade only, good for emerging destinations</td>
</tr>
<tr>
<td>ITB China</td>
<td>Shanghai</td>
<td>New, well organized, B2B, business and leisure travel</td>
</tr>
<tr>
<td>SWTF (Shanghai World Travel Fair)</td>
<td>Shanghai</td>
<td>B2B and B2C outbound tourism</td>
</tr>
<tr>
<td>BITE (Beijing International Travel Exhibition)</td>
<td>Beijing</td>
<td>Consumer and domestic focused</td>
</tr>
<tr>
<td>CIIBTM (China Incentives, Business Travel and Meetings Expo)</td>
<td>Beijing</td>
<td>B2B MICE event</td>
</tr>
<tr>
<td>ILTM China (International Luxury Travel Market)</td>
<td>Shanghai</td>
<td>Luxury trade fair</td>
</tr>
<tr>
<td>CITM (China International Travel Mart)</td>
<td>Shanghai/Kunming</td>
<td>China’s largest travel fair, 25% outbound</td>
</tr>
</tbody>
</table>
Trade Hub

An example of a destination fully embracing online tools

- Trade WeChat Hub
- Training Program
- Regular Roadshows
- Knowledge base
- Tailor Made co-marketing resource hub
Challenges

What are currently the biggest barriers to selling outbound travel?
Travel Sentiment: What Are Your Reasons for Not Traveling Abroad?

- Personal income affected by post-pandemic economic factors: 53.1%
- Busy at work, lack of time: 48.5%
- Safety issues: 42.9%
- High prices (airfare, accommodation etc.): 28.1%
- Visa application (long waiting time, complicated process etc.): 26.5%
- Destinations are not friendly to Chinese: 17.3%
- Worried about COVID cases in destinations: 11.2%
- Lack of flight capacity: 7.7%
- Other: 4.1%
Focus on Safety

What are your main safety concerns when travelling abroad?

- Personal security (assault, theft, gun violence, etc.) 95%
- Property security (financial theft, fraud/scams, etc.) 68%
- War and civil unrest 45%
- Health and hygiene 44%
- Outdoor activity safety concerns (water-related activities, hiking, etc.) 8%
- Natural disasters 6%
- Traffic accidents 5%

What measures would alleviate your concerns about safety issues abroad?

- Bodyguard or security
- Group tour
- Stable situation
- Purchase travel insurance
- Strengthen public security
- Embassy protection
- Travel in groups
Market Updates – 2024 forecast

VisitBritain expects China to contribute £1.7 billion in expenditure by 2024.

Chinese visitors to Japan to fully recover by 2025.

Chinese tourists' interest in Turkey is growing, with early bookings for 2024 rising by 15% a year.
Travel sentiment: Expectations for outbound trips
Key Takeaways

1. Although the FIT market is growing, travel agents are still relevant in China.

2. Northeast Asia is more popular than ever, while Europe retains its appeal.

3. Chinese social media is the number one source of destination information.

4. The millennial market will dominate travel sales in 2024.

5. Quality and experiences will be valued over low prices.

6. Engage with the market regularly with localized content.