

Cross-Border Tourism

Summary :

- According to UNWTO, China ranked the 4th place in the world with 57 million outbound tourists staying overnight in the foreign destination, followed by France, USA and Spain. Over 60% of overseas tourists in China were from Asian countries, over 20% from European countries and over 10% from American countries. Korean, Japanese and American tourists accounted for the majority of inbound tourists.
- Among all the overseas tourists, tourists aged 25-44 years old have the highest proportion. Male tourists' proportion exceeds that of female. Inbound travelers' major purposes of coming to China were for vacations, meetings and business. For those who had vacation in China, they wanted to experience special Chinese culture and enjoy beautiful scenic spots. Recommendation from relatives/friends, OOH ads, TV ads and information from websites were main resource channels.
- In terms of outbound tourism, China had 117 million outbound tourists in 2015 and increased by 8.96% compared with 2014. Total number of travelers visiting Hong Kong, Taiwan and Macau reached 85.8 million. Other popular overseas destinations among Chinese tourists include Thailand, Korea, Japan, Vietnam, US, Singapore and Russia.

Summary :

- In 2015, Chinese outbound tourists were mainly from developed regions in China with residents having stronger purchasing power, more consulates and more convenient transportation. People in Chongqing, Sichuan, Hunan, Shaanxi, Shanxi and Jilin tend to be more willing to travel abroad than before. Among outbound travelers, females were more than males. People aged 25-34 and 35-44 constitute the most of outbound travelers. 60% of travelers surveyed prefer overseas traveling with family and friends. Besides, 77.2% of outbound travelers chose to participate in travel agents' groups.
- When it came to self-guided tour in 2015, more males preferred it compared with females. Self-guided travelers in China were mainly 80s and 90s generation, and they would like to spend 5-6 days for enjoying natural beauty or have sea island vacations during long-holiday in October or during their annual leave.
- Compared to platforms with travel tips, self-guided travelers preferred to acquire trip information from OTA platforms, such as Ctrip, Qunar, Fliggy, etc. They tended to book air tickets & hotels online. Among all outbound self-guided Chinese travelers, 40% of them would make reservations 15-30 days in advance. 80% of the booked products were air tickets and 30% of travelers chose 4-5 star hotels abroad.

Summary :

- In 2015, the number of Chinese cruise tourists were 0.73 million, ranking the 8th in the world. However, the penetration rate in the cruise market was only 0.05%. As of 2016, China cruise transportation mainly centralized around Shanghai, Tianjin, Xiamen and Sanya. In the future, multiple ports will be set up to face the challenge brought by international luxury cruise corporation and its cruising products.
- Cruise travel was mainly chosen by three-people family. Their favorite destinations were Japan and Korea, with 4-6 nights included in the trip. In the future, Southeast Asian cruise lines are expected to be more popular among cruise travelers. “Flight + cruise” travel models will be preferred in Singapore, Vietnam, Thailand and Malaysia.
- Cruising business of Tuniu, Ctrip and LY.com had occupied over 70% share of the total market in 2016. It was forecasted that by 2018, all online cruising business’s penetration will be about 65%. Also, the revenue of online cruising business will be doubled from CNY1.8 billion in 2016 to CNY3.65 billion in 2018 with the development of China cruising tourism market.

Summary :

- As for Chinese young luxury travelers, they were characterized by their great consumption capability and rich travel experience. They preferred to travel with family during long vacations in October or during Chinese Spring festival, and sometimes they decided to travel at any time of the year. Europe and Japan were very much welcomed by them. They liked diverse trip themes and usually considered a lot when they selected hotels. Also, they were more in favor of Air China and Lufthansa.
- Recreational vacation, traveling around the world and mild adventure will be the 3 most popular trip themes among young travelers in the next 3 years. Europe and America are expected be their favorite travel destinations. Currently, Hainan, Yunan and Tibet were the top 3 favorite domestic destinations. And France, Japan and Australia were the top 3 foreign destinations.

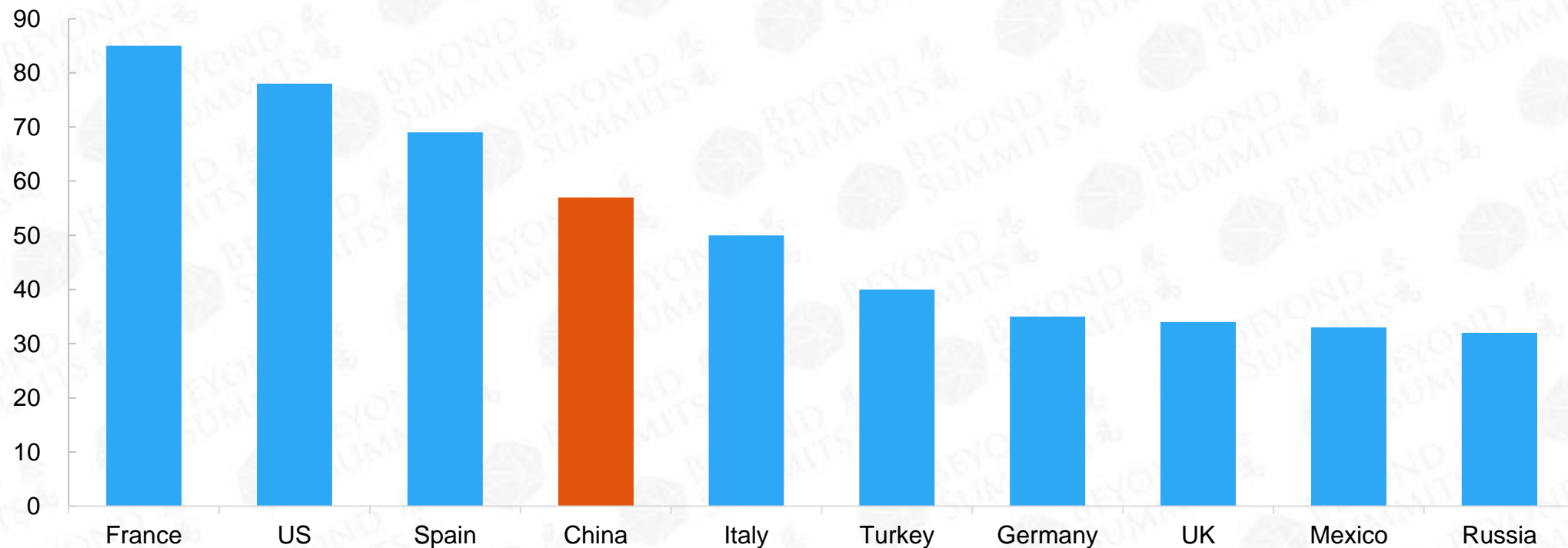
Summary :

- In 2015, the average family travel expense of Chinese young luxury travelers was CNY0.42 million annually, among which CNY0.22 million was shopping expense during the trips. Apparels, bags, watches and jewelries were more preferred by Chinese high-end travelers in their shopping tour. Chinese young luxury travelers tended to acquire information via smartphones. They viewed WeChat, surfed webpages, took photo and did shopping all by phones. The most commonly used apps were Ctrip, Qunar and Tuniu.

2015 China's Inbound Tourism

According to UNWTO, China ranked the 4th in the world with 57 million (person-times) foreign tourists staying overnight in China during the trip, with France, US and Spain dominating top 3.

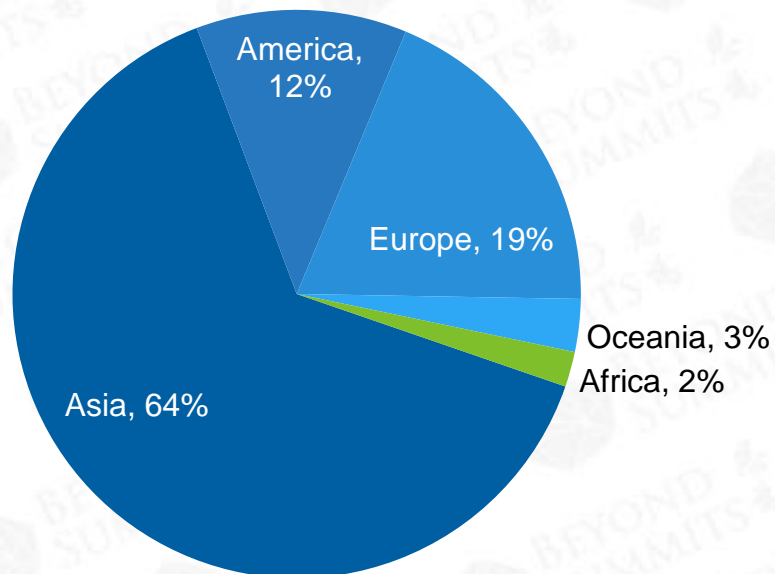
Countries with the Most Inbound Tourists Staying Overnight 2015 (million person-time)



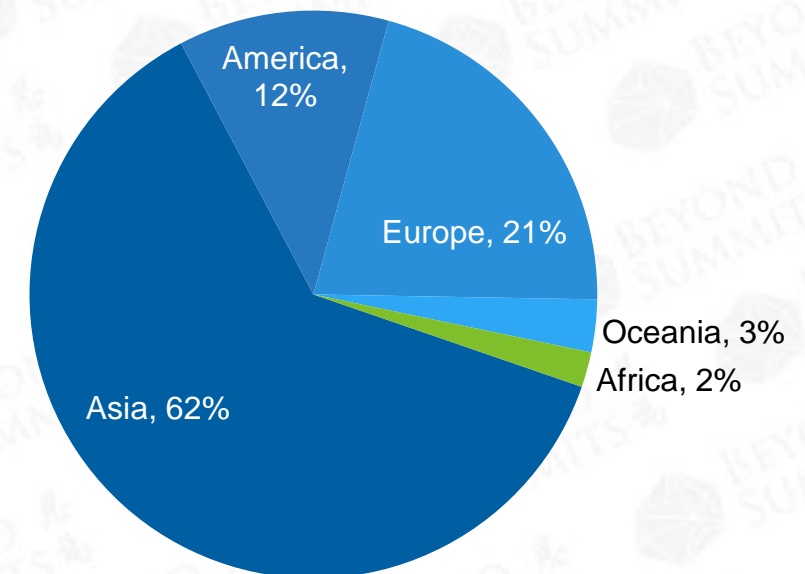
Source : Review of Market Development of China Inbound Tourism in 2015 , China Tourism Research

From 2009-2015, over 60% of China inbound tourists were from Asian countries, over 20% from European countries and over 10% from American countries. The overall distribution did not change in 2015.

Global Distribution of China Inbound Tourists in 2015



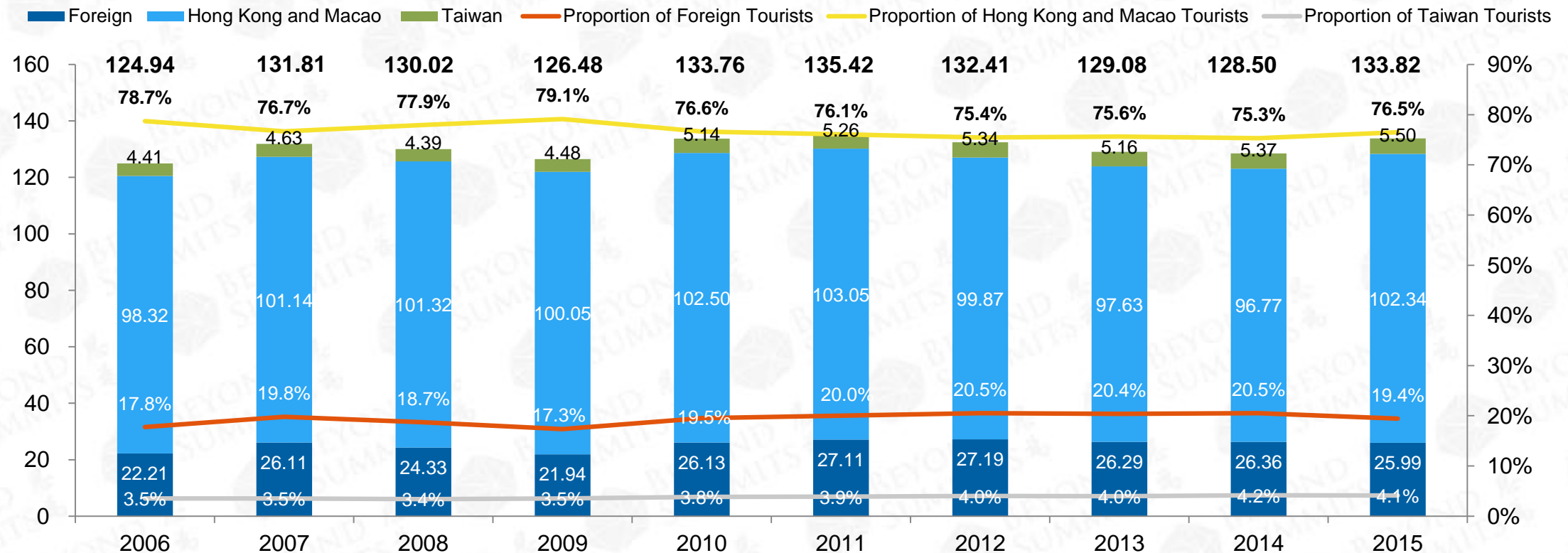
Global Distribution of China Inbound Tourists from 2009-2015 (Yearly Average)



Source : Review of Market Development of China Inbound Tourism in 2015 , China Tourism Research

Data in 2006-2015 shows, the number of China's inbound tourists fluctuated at 125-133 million. Hong Kong and Macau tourists accounted for 75-76% of the total, while the proportion of foreign tourists was about 20% and Taiwan tourists at about 4%.

The Number and Proportion of China's Inbound Tourists (million person-time)



Source : National Tourism Administration

In 2015, most foreign tourists in China came from South Korea, Japan and US.

Rank	Country	Number of Tourists in China (million person-time)
1	South Korea	444.44
2	Japan	249.77
3	US	208.58
4	Russia	158.23
5	Malaysia	107.55
6	Mongolia	101.41
7	The Philippines	100.40
8	Singapore	90.53
9	India	73.05
10	Canada	67.98

Rank	Country	Number of Tourists in China (million person-time)
11	Thailand	64.15
12	Australia	63.73
13	Germany	62.34
14	UK	57.96
15	Indonesia	54.48
16	France	48.69
17	Italy	24.61
18	Kazakhstan	24.15
19	North Korea	18.83
20	Netherlands	18.18

Source : National Tourism Administration

The number of US tourists to China has been stable in recent years, and reached 2.09 million in 2015, which was 0.4% down from last year.

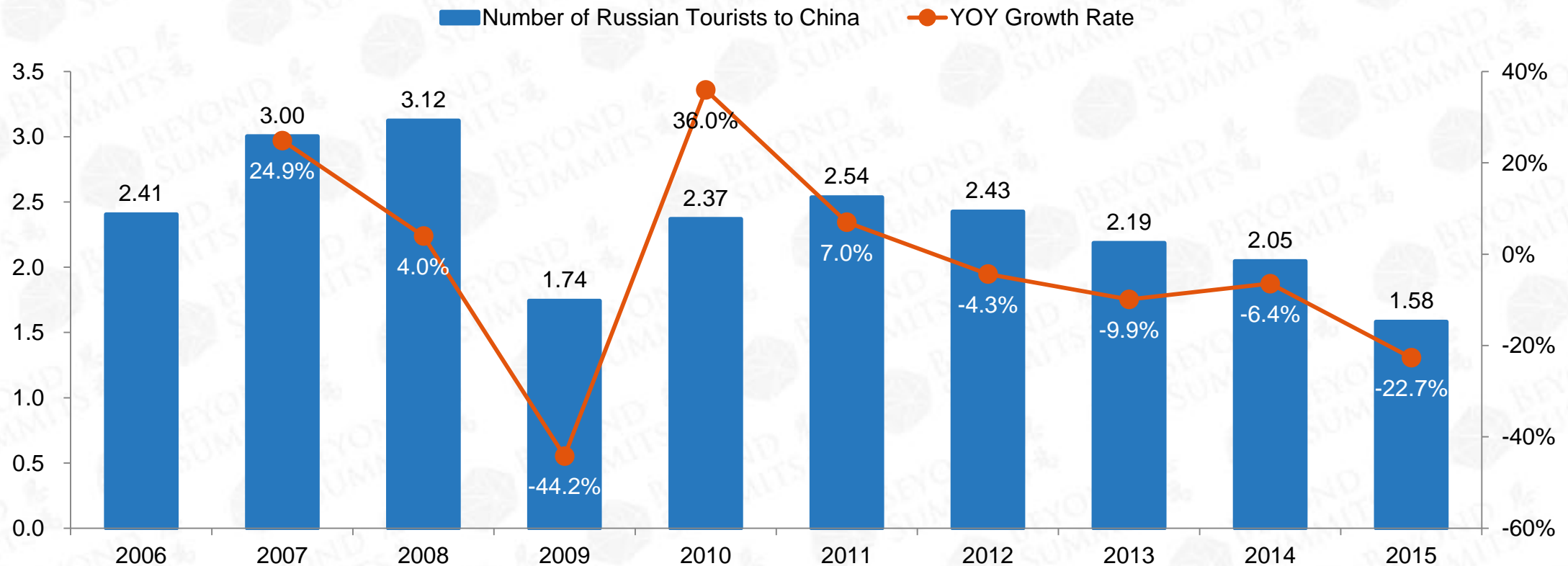
The Number of US Tourists to China (million person-time)



Source : National Tourism Administration

As the second biggest airline in Russia whose major business was international airline transportation was bankrupt, together with the negative influence brought by terrorism and economic slump, the number of Russian tourists to China has dropped to 1.58 million, 22.7% down from last year.

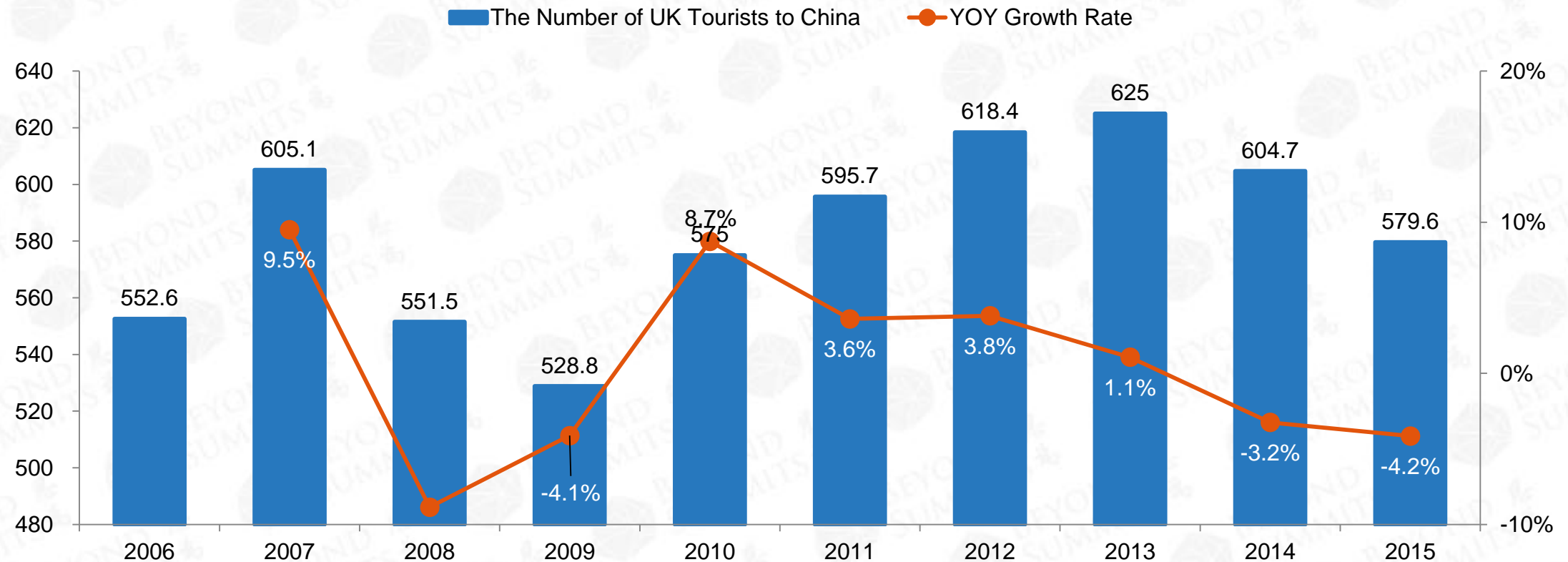
The Number of Russian Tourists to China (million person-time)



Source : National Tourism Administration

The number of UK tourists to China has fluctuated in recent 10 years, and decreased in 2008 and 2009 because of economic crisis. Then, the number rebounded in the next few years, and reached the highest at 0.625 million in 2013.

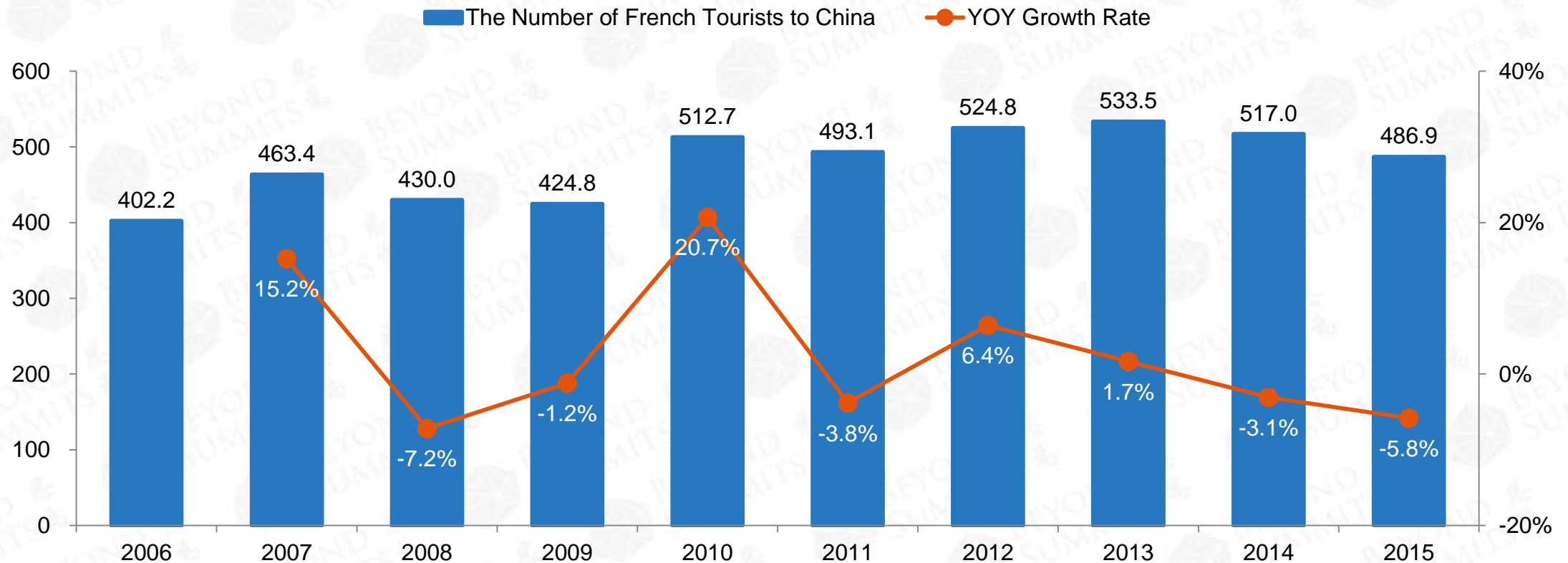
The Number of UK Tourists to China ('000 person-time)



Source : National Tourism Administration

The number of French tourists to China has fluctuated in recent 10 years, and saw a decline in 2008 because of economic crisis. Then the number rebounded in 2010, and reached about 0.49 million in 2015. That was down 5.8% from 2014.

The Number of French Tourists to China ('000 person-time)



Source : National Tourism Administration

The number of German tourists to China has been stable at 0.6-0.66 million since 2010. In 2015, the number reached 0.623 million, which was a drop of 5.9% from 2014.

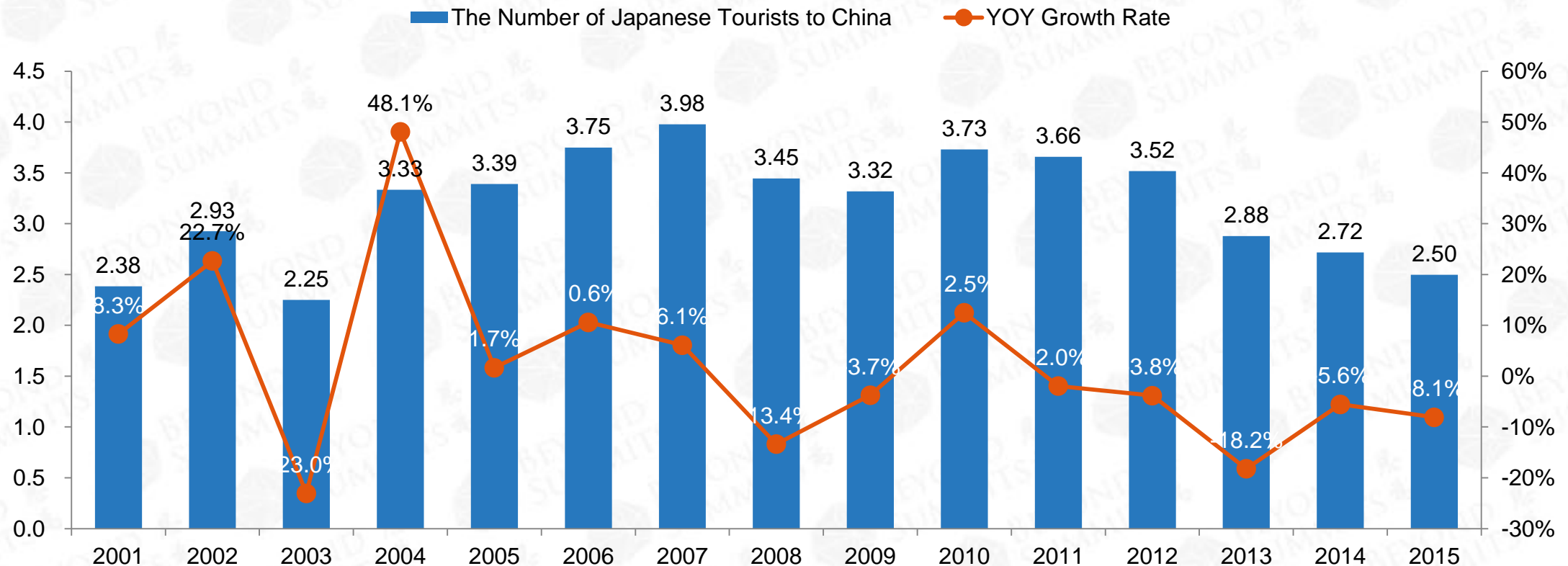
The Number of German Tourists to China ('000 person-time)



Source : National Tourism Administration

The number of Japanese tourists to China has fluctuated widely from 2001 to 2005. The number marked the highest point in 2007 at about 4 million, and has dropped since 2010. In 2015, the number of Japanese tourists to China amounted at 2.5 million. Considering Japan's overall outbound tourism market, the number of Japanese tourists to China showed a significant downward trend.

The Number of Japanese Tourists to China (million person-time)



Source : National Tourism Administration

The number of South Korean tourists to China has fluctuated in recent 10 years, and dropped dramatically in 2008 and 2009 because of global economic crisis. Good relation between China and South Korea in recent few years, especially in economic exchanges and trade, culture and education, has created a solid foundation for South Korean tourists to visit China.

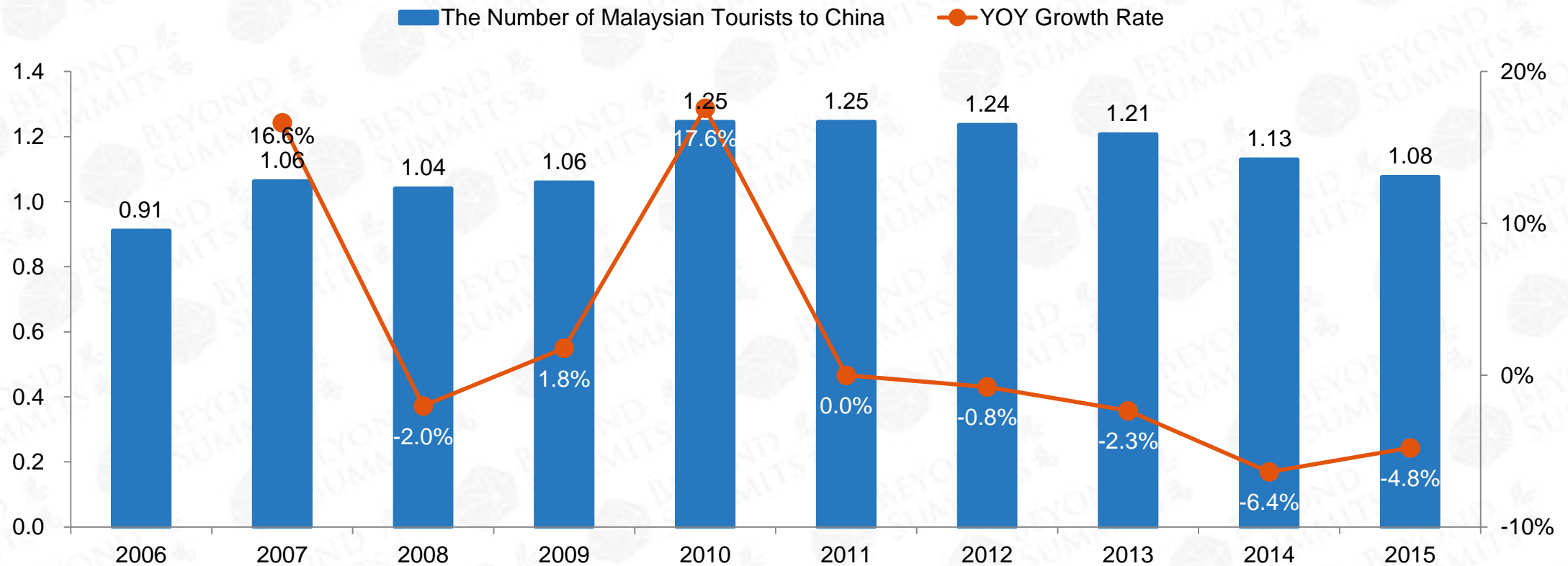
The Number of South Korean Tourists to China (million person-time)



Source : National Tourism Administration

Global financial crisis had a negative effect on the Malaysians' travelling intention, and the number of Malaysian tourists to China has decreased slowly in recent years. In 2015, the number reached 1.08 million.

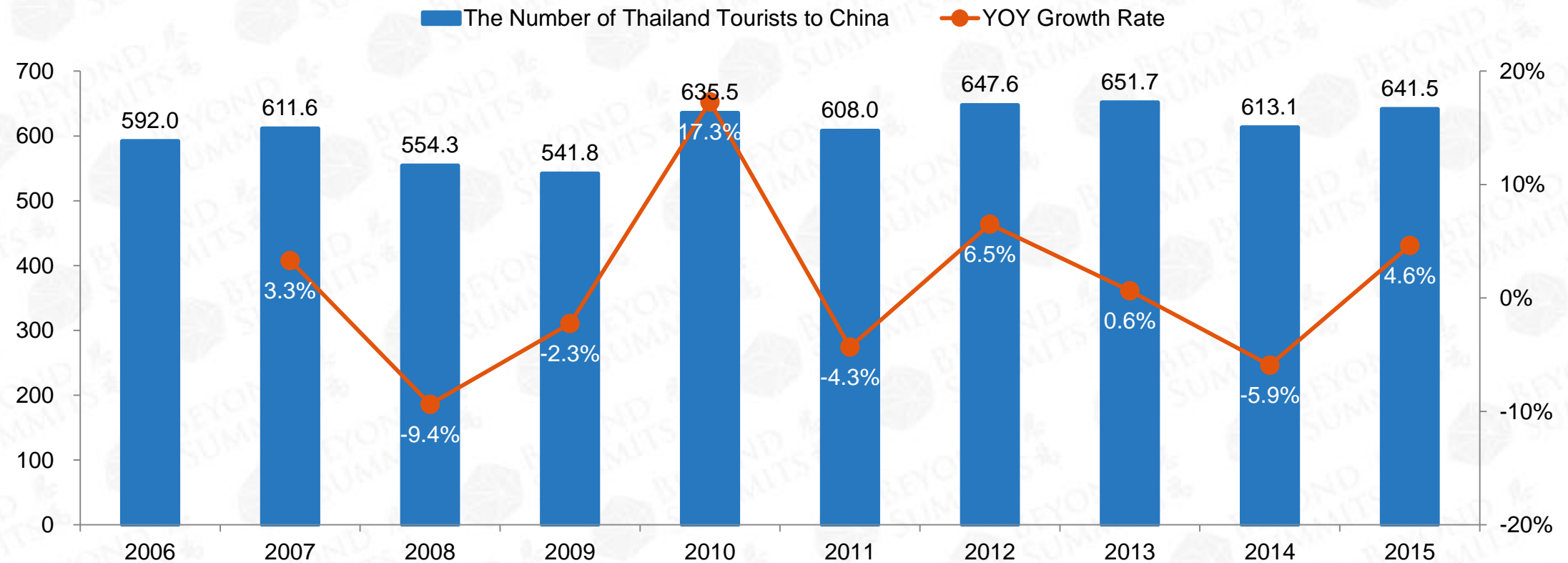
The Number of Malaysian Tourists to China (million person-time)



Source : National Tourism Administration

The number of Thailand tourists to China has wide fluctuation in recent 10 years. This was because Thailand tourists' initiatives were impacted due to its internal political instability and its sluggish local economy.

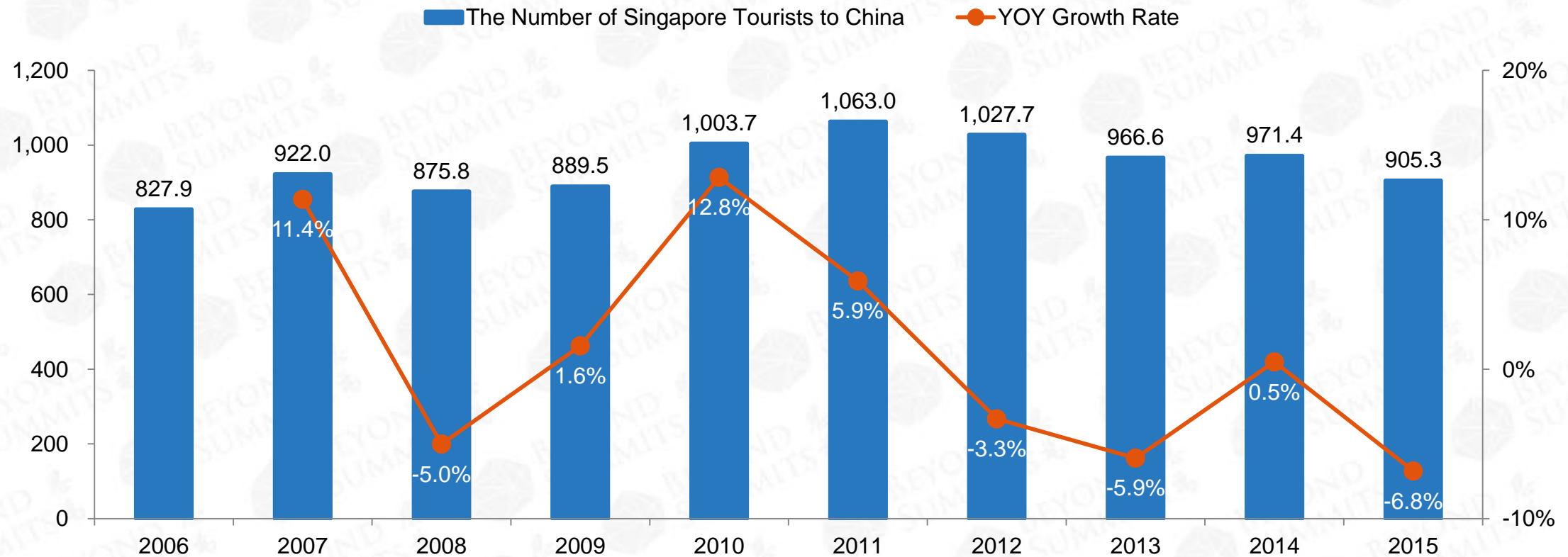
The Number of Thailand Tourists to China ('000 person-time)



Source : National Tourism Administration

The number of Singapore tourists to China has fluctuated in recent 10 years, and dropped 5% in 2008 due to financial crisis. Then the number rebounded, reaching the highest point at 1.06 million in 2011. In 2015, the number amounted at 0.91 million.

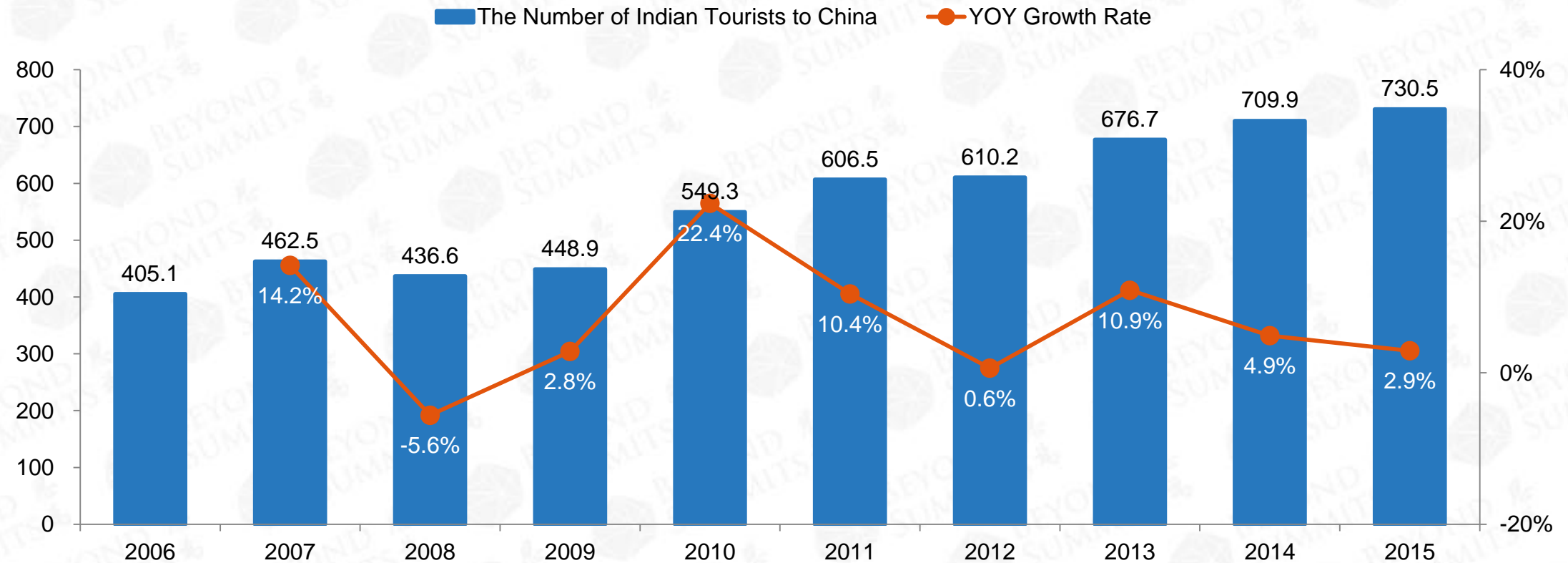
The Number of Singapore Tourists to China ('000 person-time)



Source : National Tourism Administration

The number of Indian tourists coming to China was 0.73 million in 2015, up 2.9% from last year. The growth showed a slowdown from two years ago.

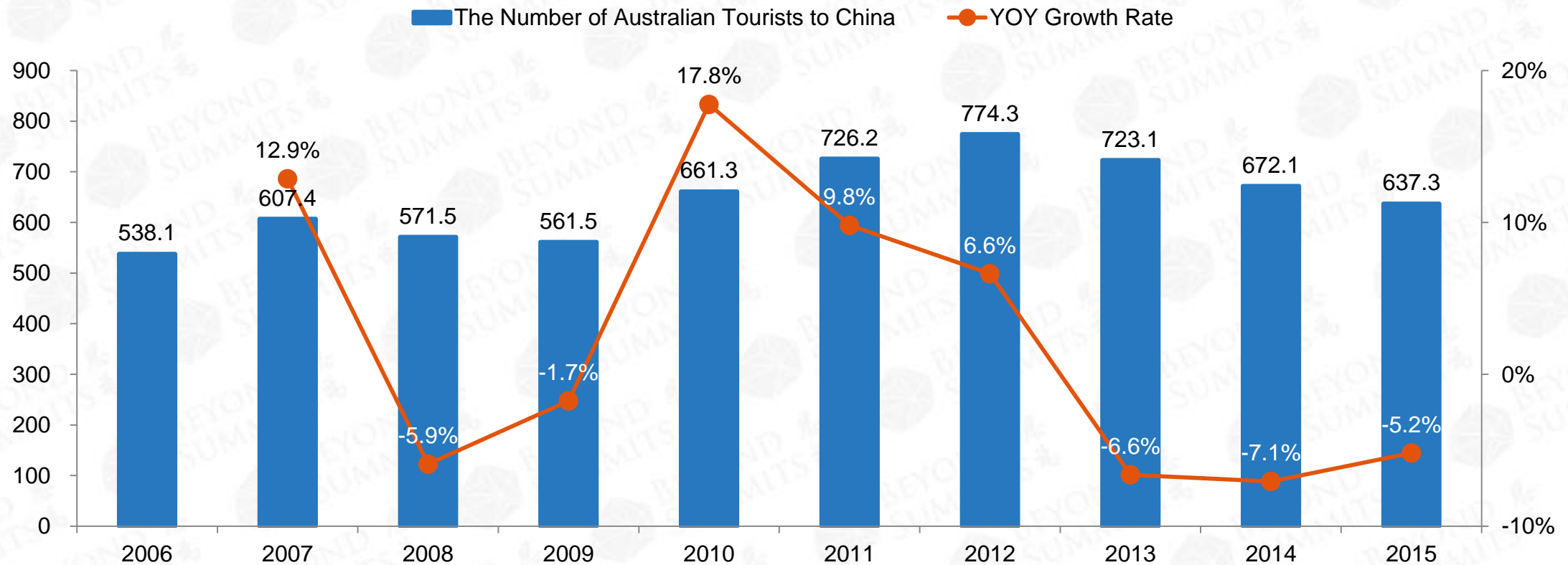
The Number of Indian Tourists to China ('000 person-time)



Source : National Tourism Administration

The number of Australian tourists to China has wide fluctuation in recent 10 years. The number fell in 2008 with the backdrop of global economic crisis, and then rebounded. It grew to the highest point in 2010 at 0.774 million, then showed a downturn trend. In 2015, Australian tourists coming to China reached 0.637 million.

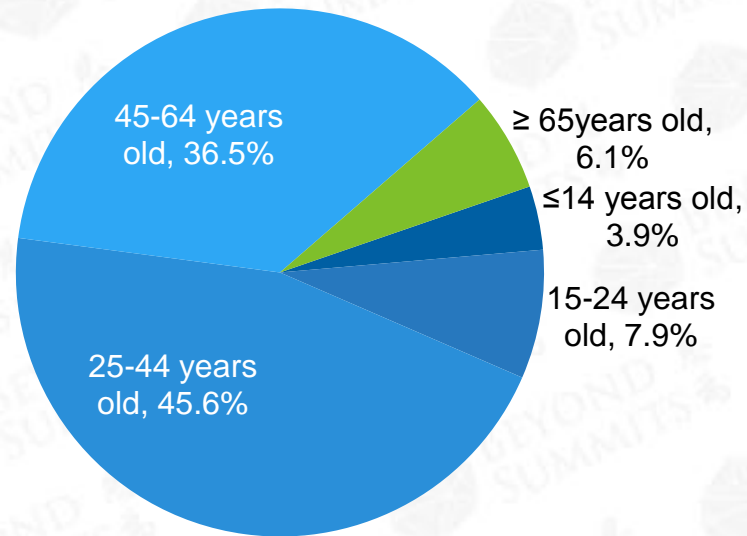
The Number of Australian Tourists to China ('000 person-time)



Source : National Tourism Administration

Among all the foreign tourists, tourists aged 25-44 accounted for the largest share at 45.6% in 2015, followed by tourists aged 45-64 with a proportion of 36.5%.

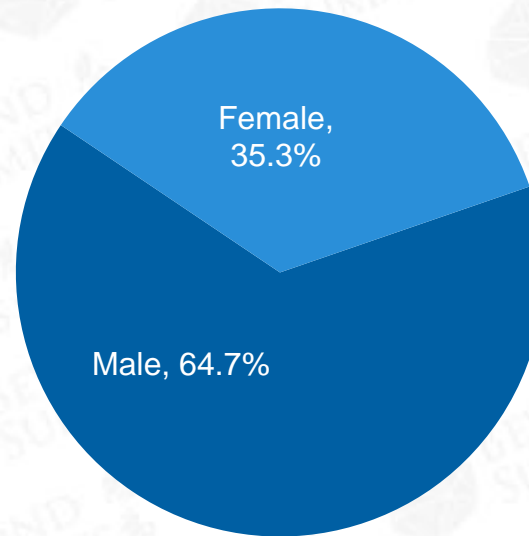
The Age of Foreign Tourists in China 2015



Source : National Tourism Administration

In 2015, male foreign tourists to China were more than female, with a proportion of 64.7%.

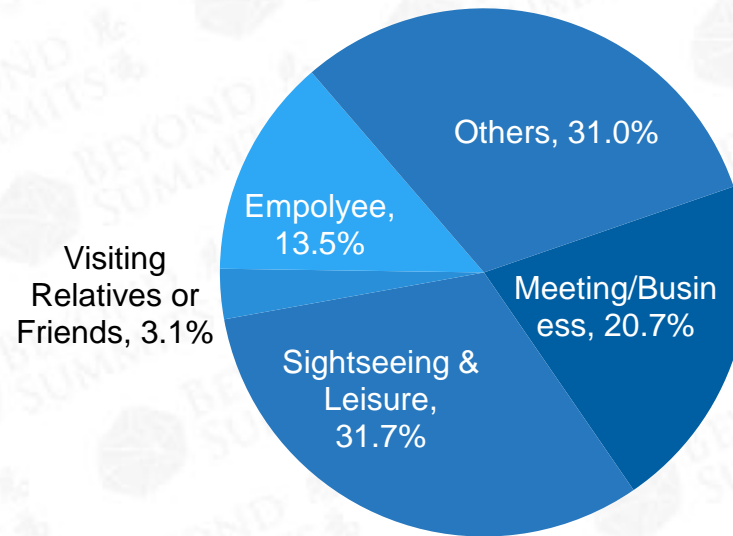
The Gender of Foreign Tourists in China 2015



Source : National Tourism Administration

In 2015, 31.7% of foreign tourists in China were travelling for sightseeing and leisure, followed by the purpose of meeting and business.

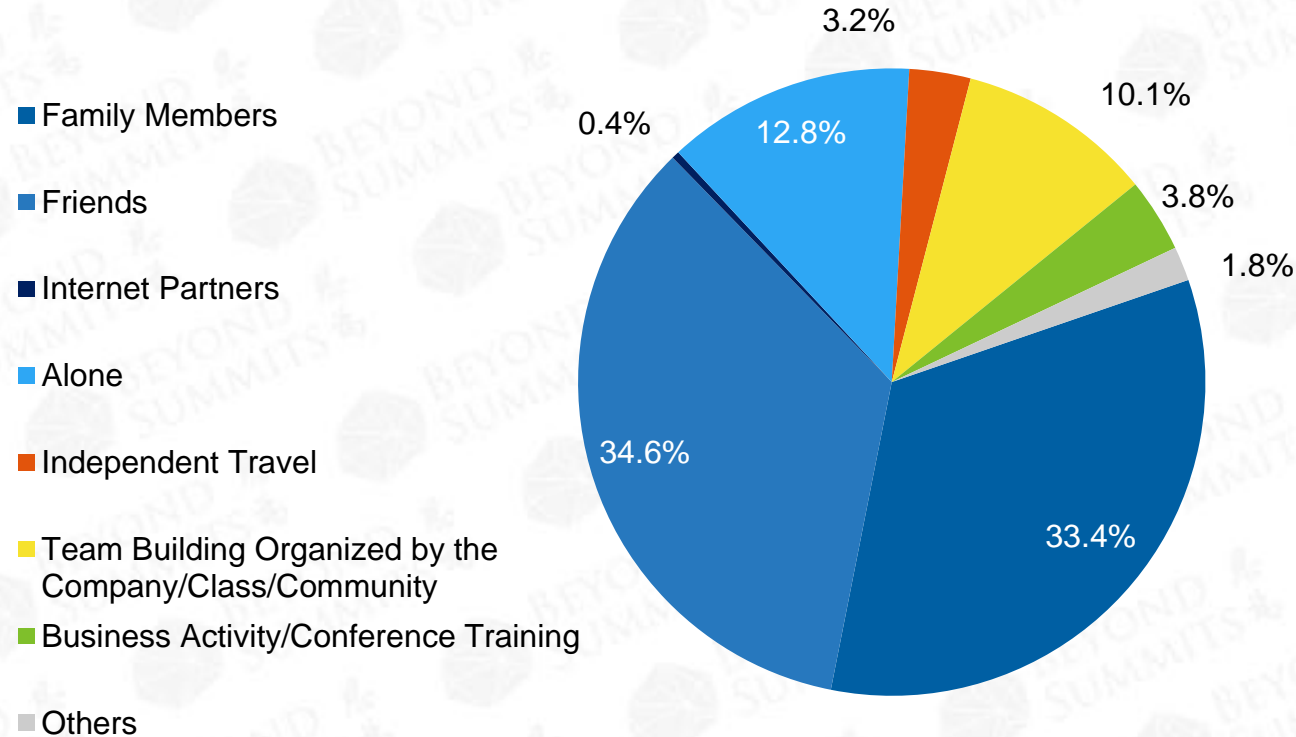
Reasons for Foreign Tourists to Visit China in 2015



Source : National Tourism Administration

Companions of foreign tourists to China were usually family members, friends and internet partners; they were in China for travelling, business activities or trainings.

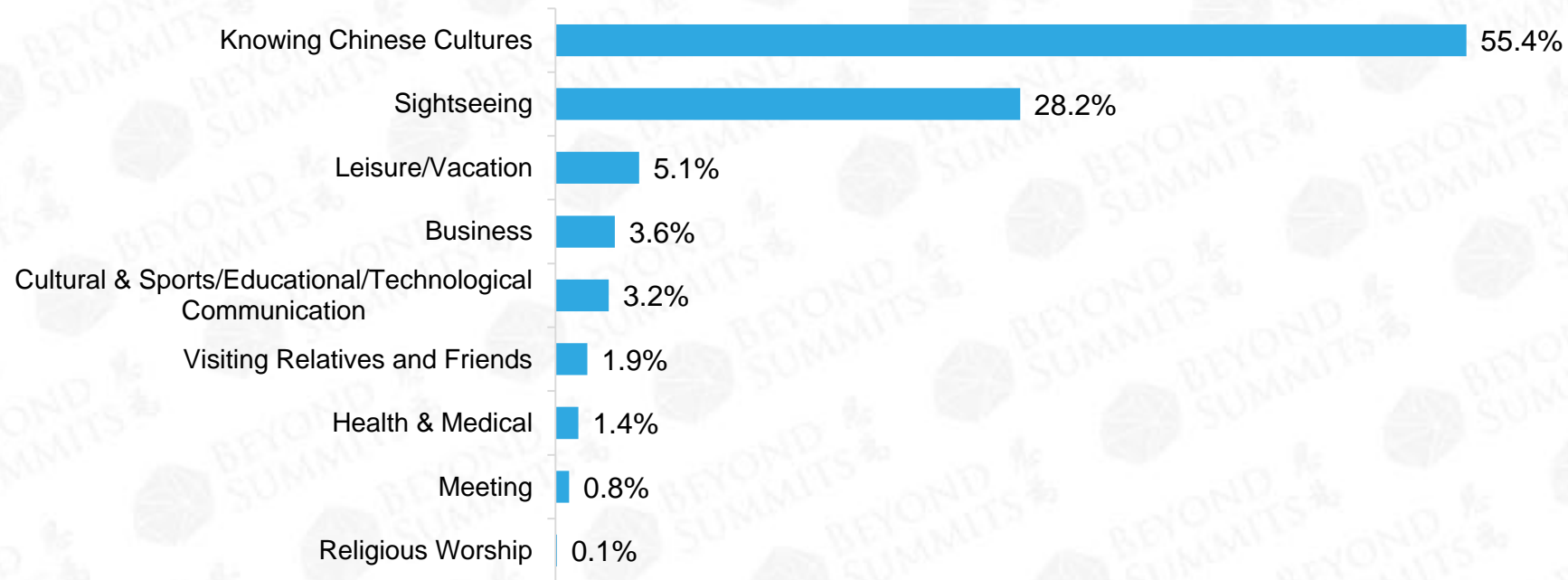
Inbound Tourists' Travel Companions in China (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

The survey indicated that inbound tourists chose China because they were interested in the Chinese culture. Sightseeing came as the second reason.

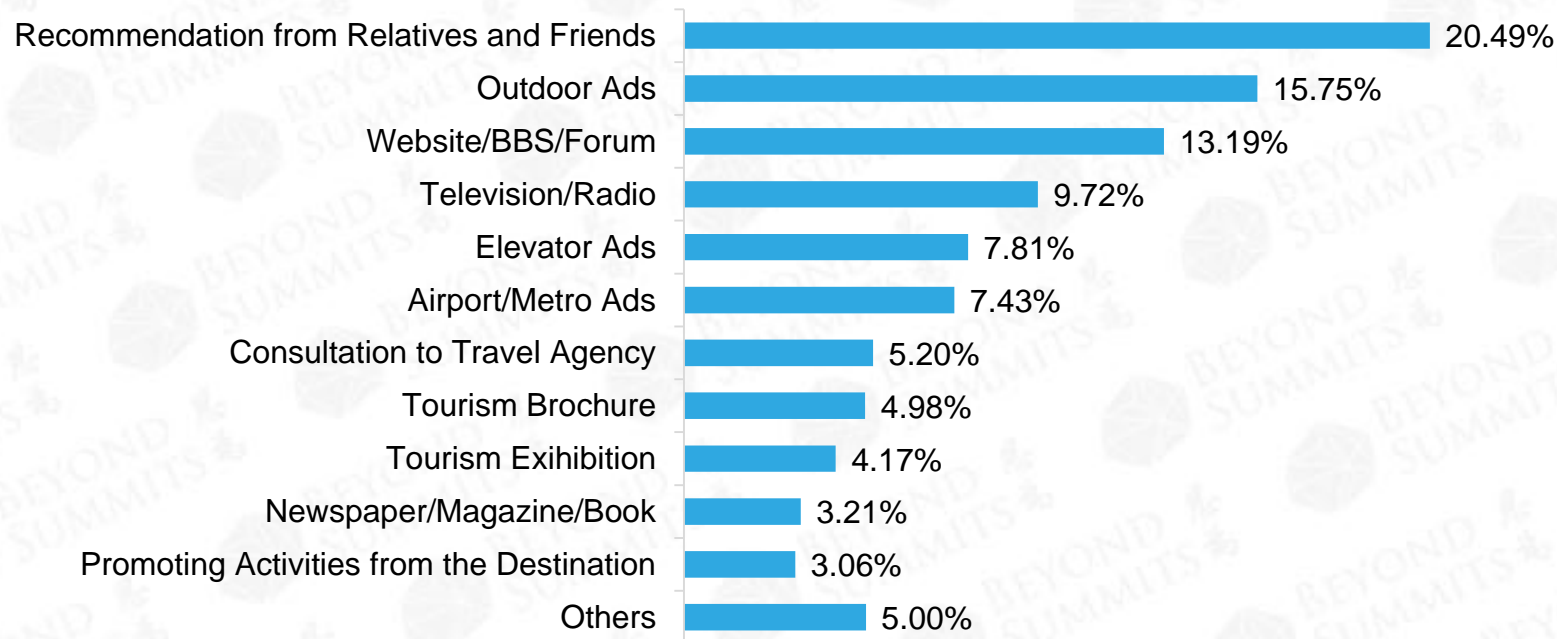
Inbound Tourists' Purpose in China (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Recommendation from relatives and friends had the largest proportion among all the channels to gain travel information on China inbound tourism, followed by outdoor activities.

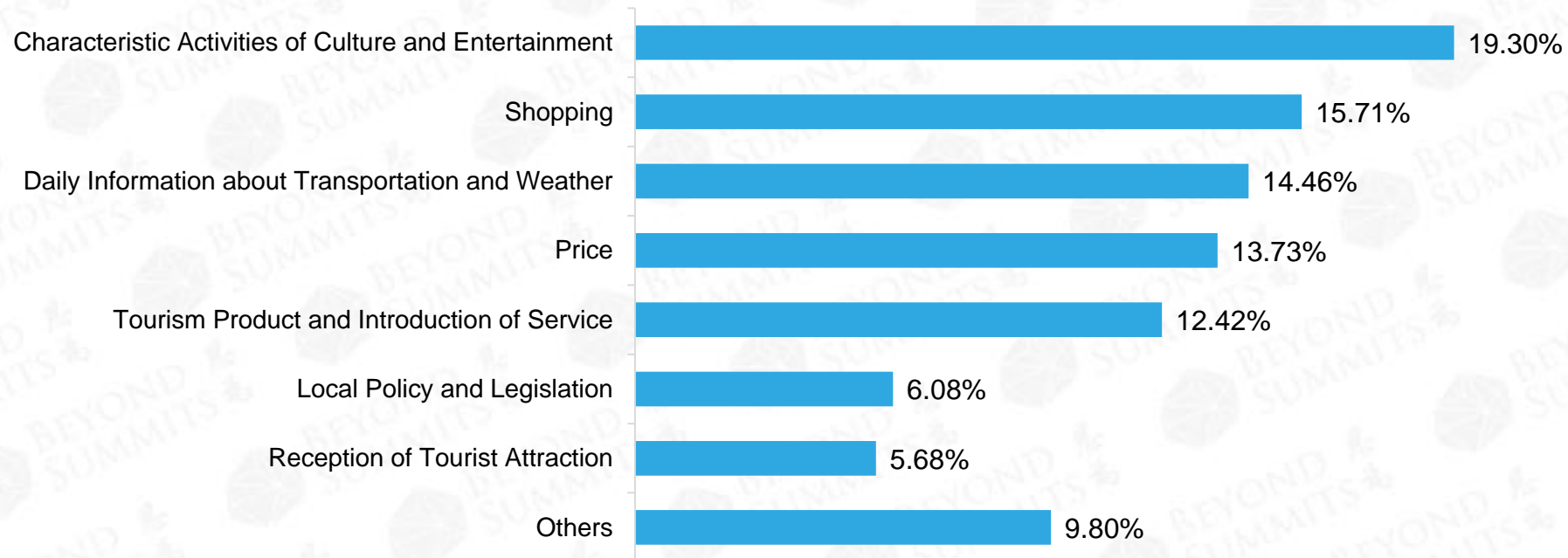
Channels to Gain Travel Information for Inbound Tourists in China (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

The Information China's inbound tourists searched was mainly about characteristic activities of Chinese culture and entertainment, accounting for 19.3% of the total. Other information searched included shopping, transportation, weather, etc.

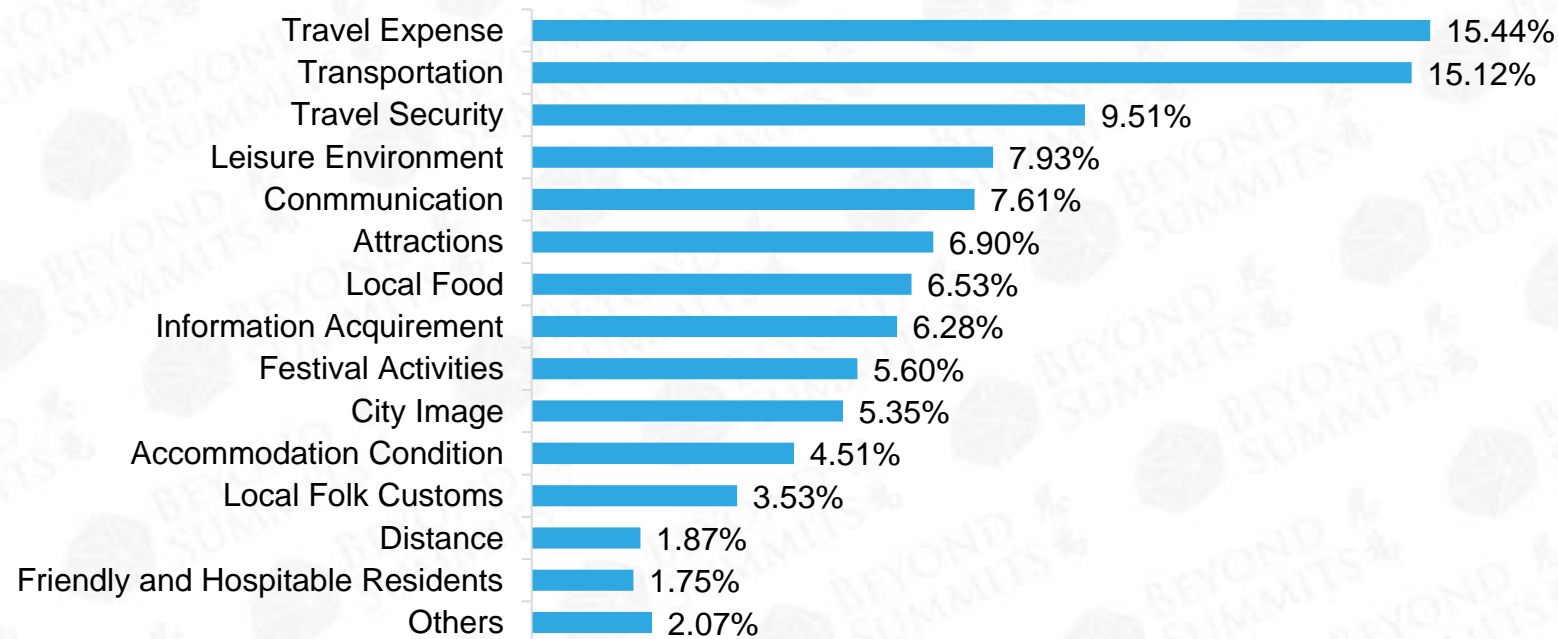
Information Inbound Tourists in China Searched (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Travel expense was the first consideration when inbound tourists were choosing the destination, followed by transportation and travel security.

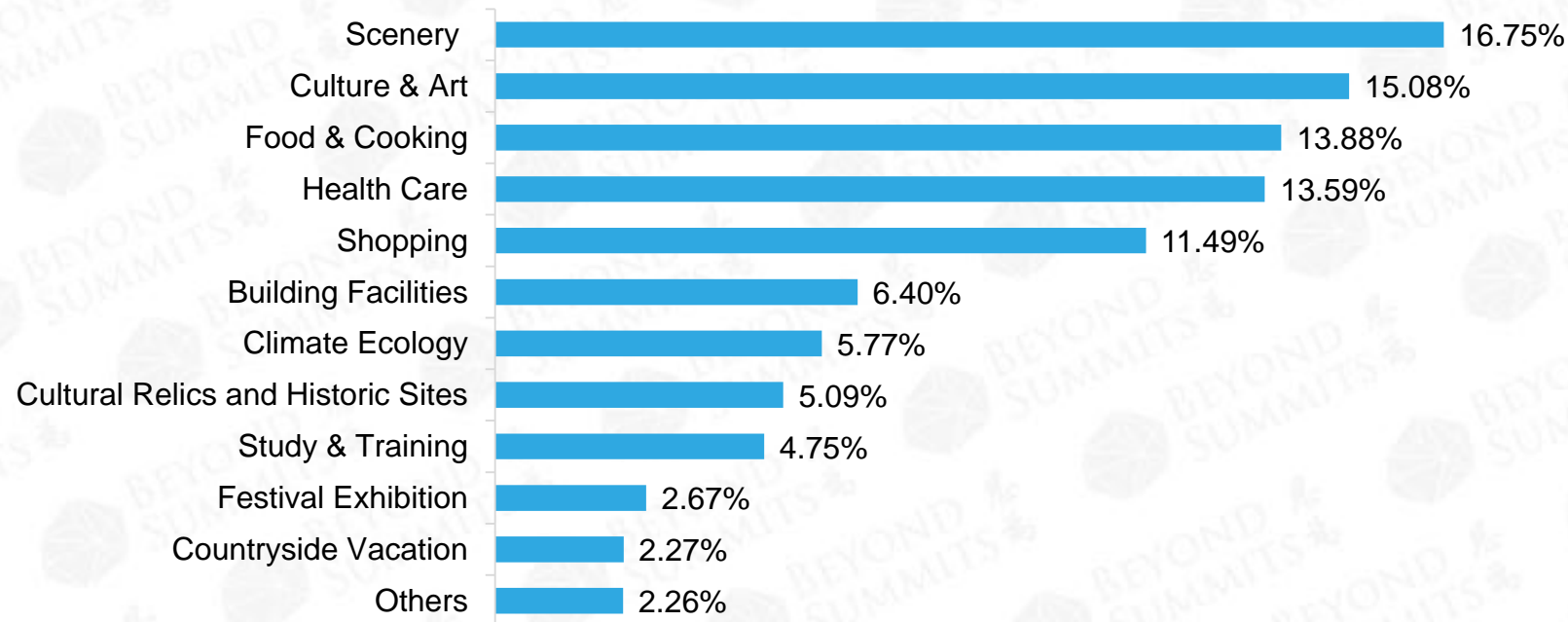
Factors that Affected Inbound Tourists' Decisions on the Travel Destination(2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

The Inbound tourists chose to visit China mainly for its beautiful scenery, accounting for the largest proportion at 16.75%. Other attractive aspects include culture, art, food and cooking.

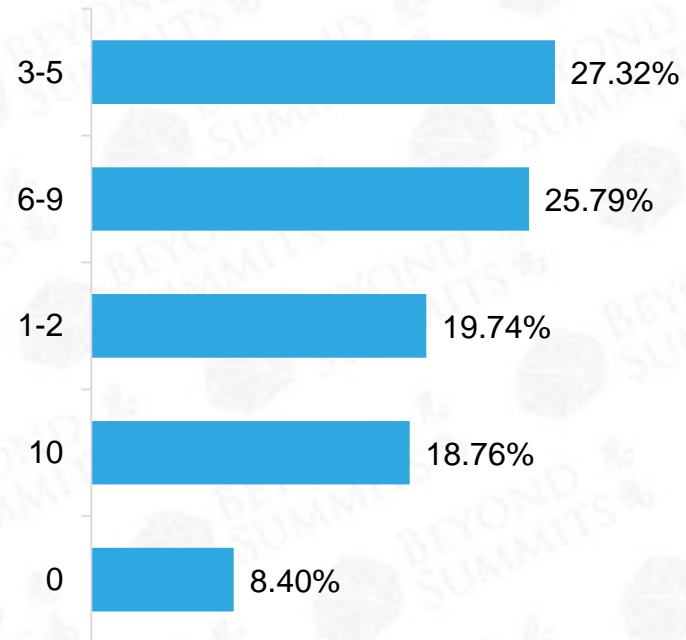
Popular Items Chosen by Inbound Tourists to China (2015)



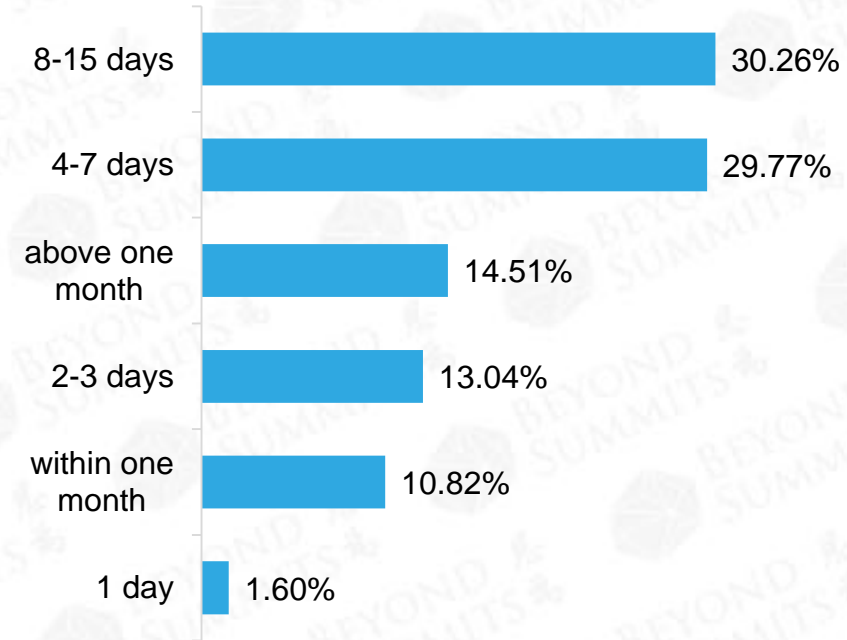
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists preferred to visit 3-5 scenic spots and stayed for 8-15 days in China.

**The Number of Scenic Spots Visited by
Inbound Tourists in China (2015)**



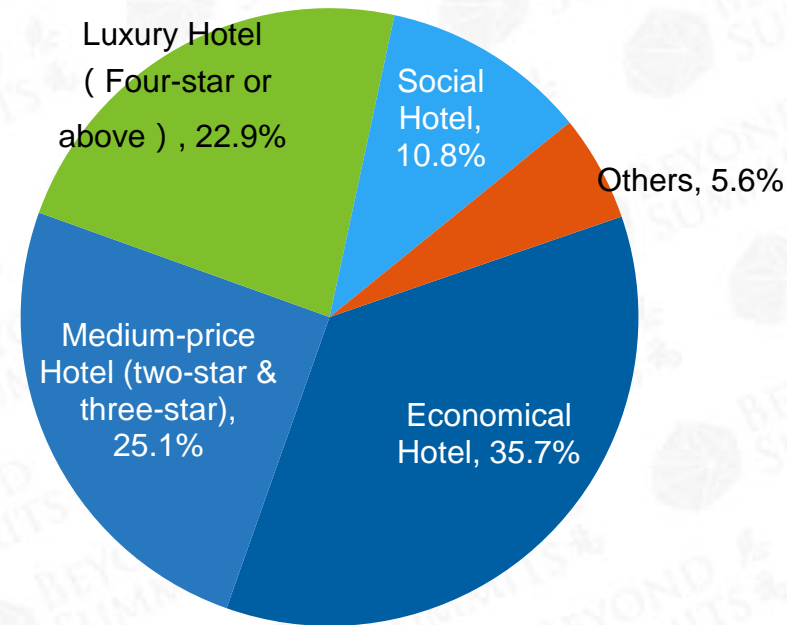
Time Spend in China (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists to China preferred to choose economic hotels and medium-price hotels, such as two-star hotels and three-star hotels.

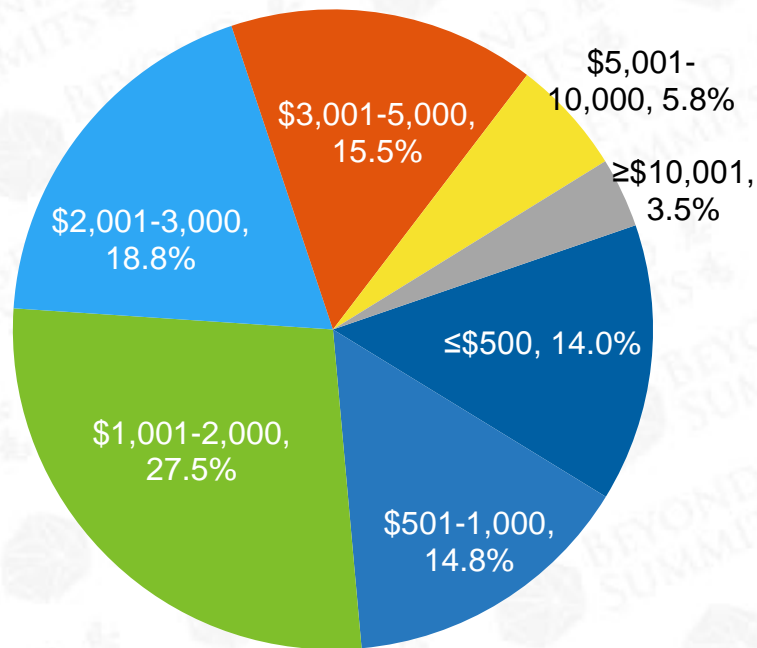
Inbound Tourists' Accommodation Preference in China (2015)



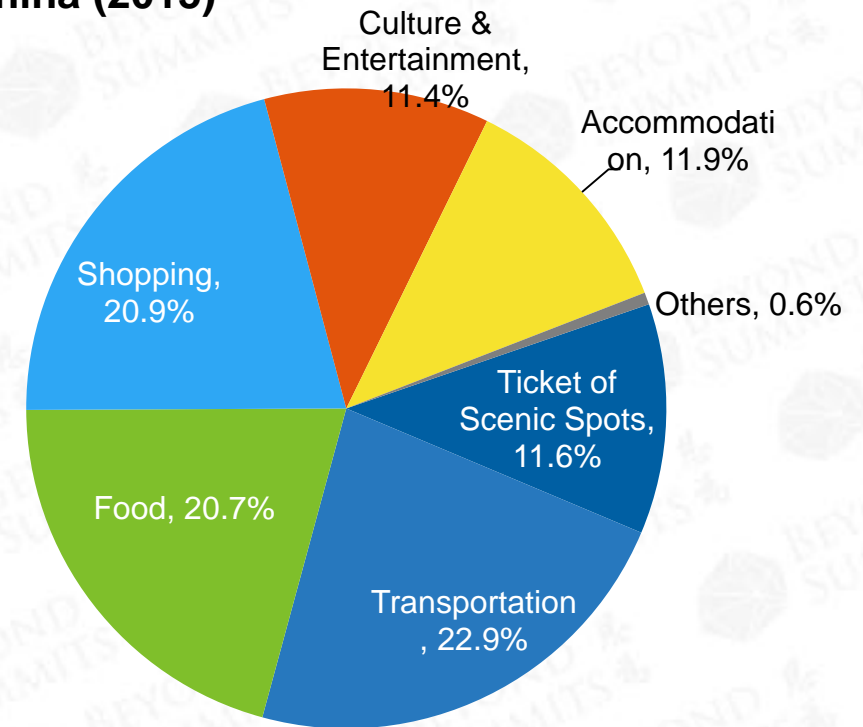
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who spent \$1,000-2,000 on average in China made up the largest proportion. And they usually have more consumption in transportation, accommodation and food.

Inbound Tourists' Consumption Per Person in China (2015)



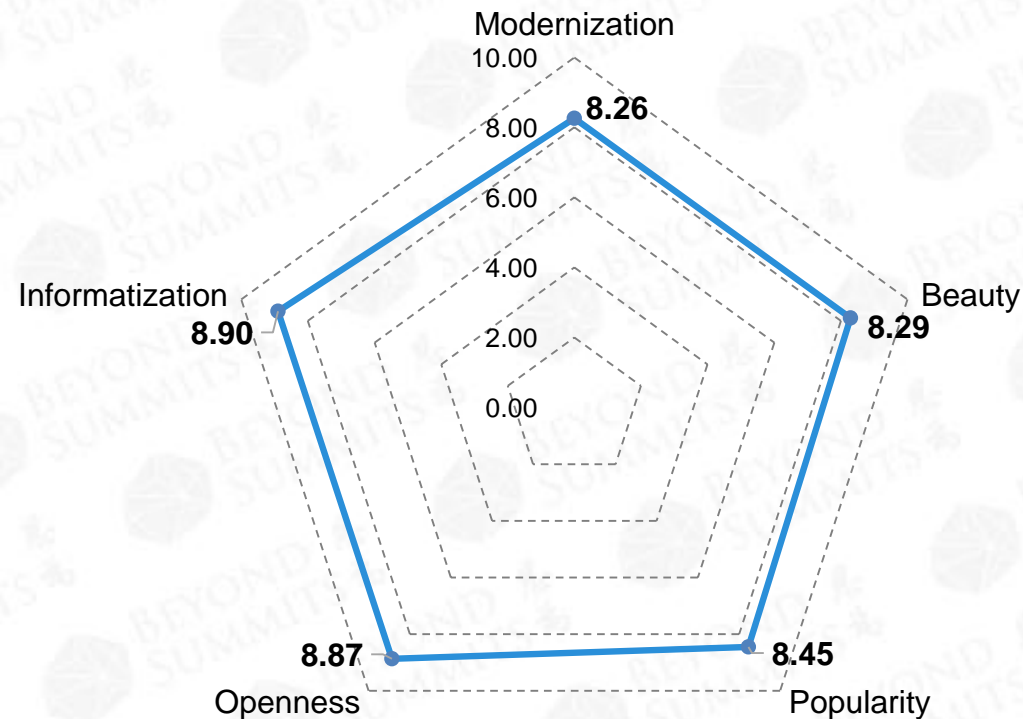
Inbound Tourists' Consumption Structure in China (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

In general, inbound tourists' were satisfied with all travel-related aspects of China, and especially satisfied with its informatization and openness.

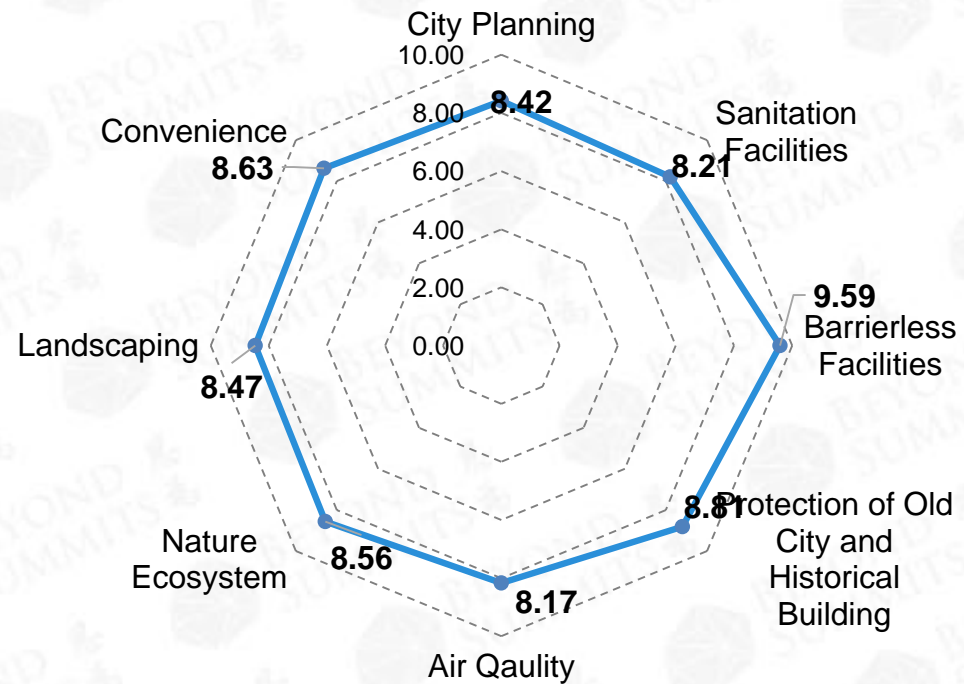
Inbound Tourists' Comprehensive Assessment in China's Travel Destination (2015)



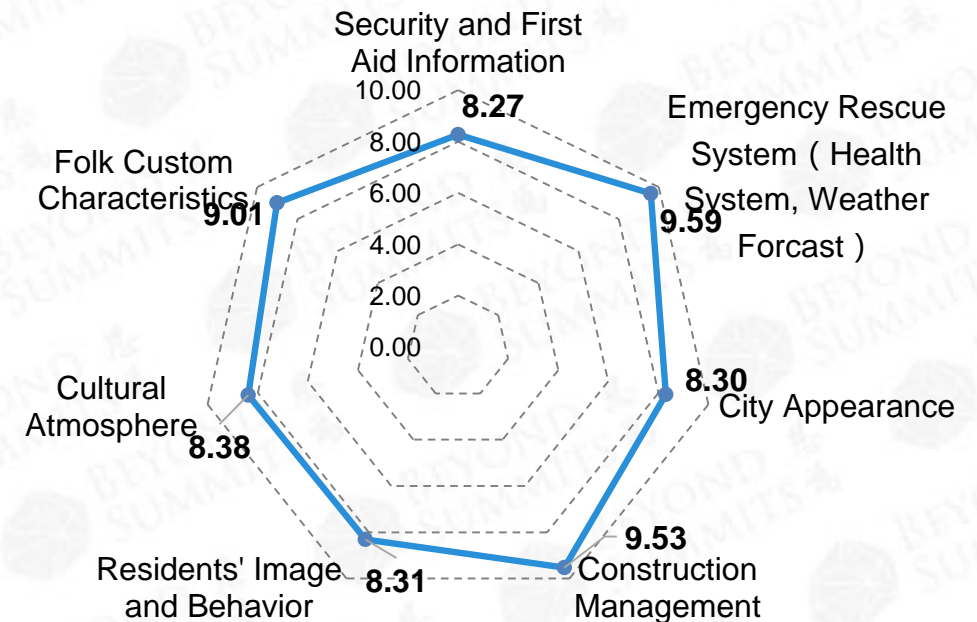
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

In inbound tourists' opinions, air quality and sanitation facilities of China's need to be further developed, while they spoke highly of emergency rescue system and constructional management in China.

Inbound Tourists' Assessment on China's Travel Destination (2015)



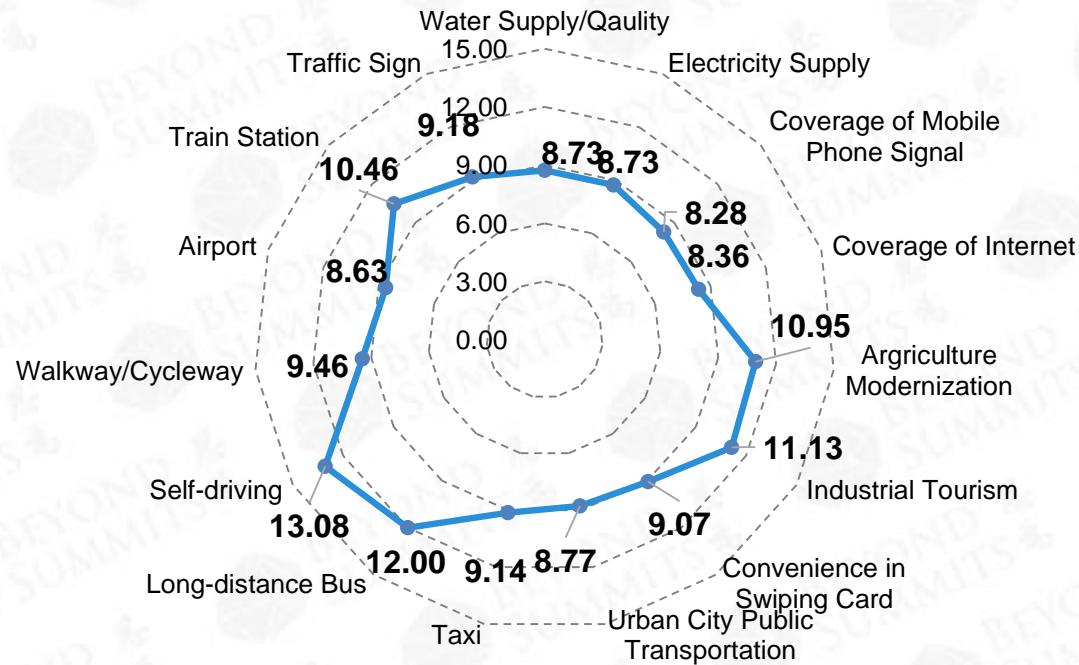
Inbound Tourists' Assessment on the Management of China's Travel Destination (2015)



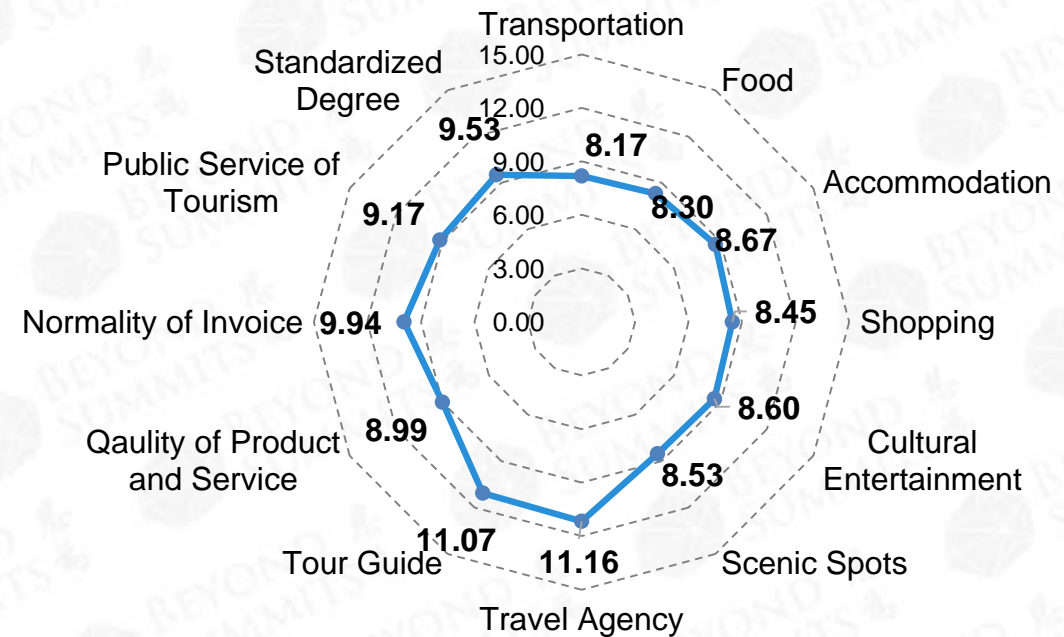
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound Tourists were not very satisfied about phone signal coverage and Internet coverage in China; they also had negative reviews in food and transportation.

Inbound Tourists' Assessment in the Public Service of China's Travel Destination (2015)



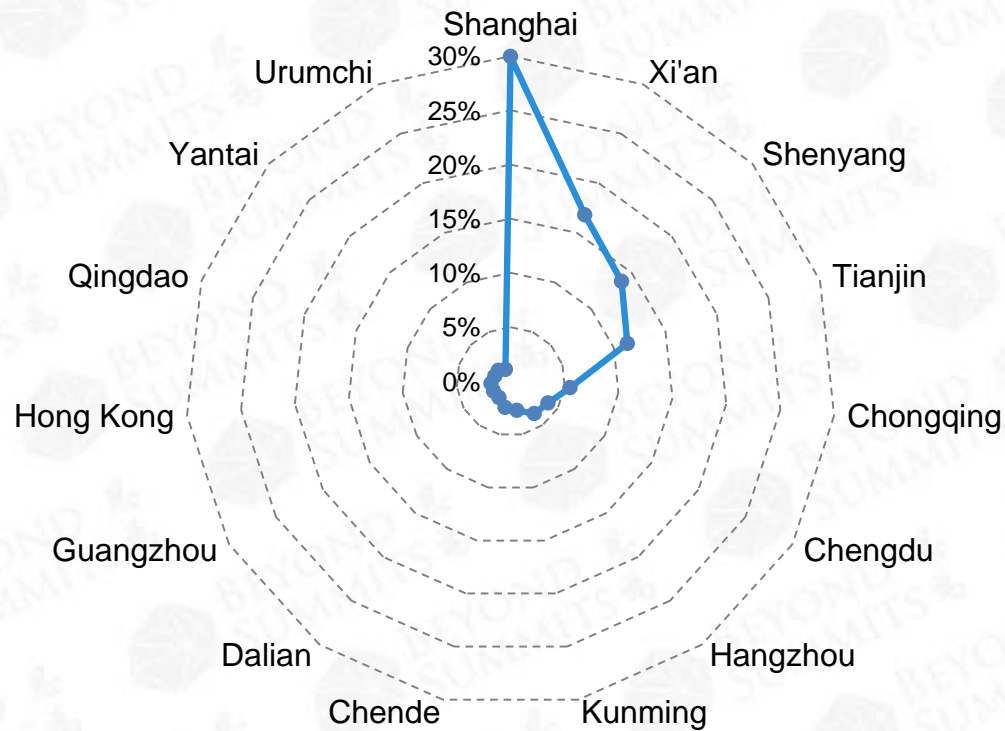
Inbound Tourists' Assessment in Services Provided by China's Travel Destination (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Beijing tended to flow to cities in the southeast, west, northeast, southwest and south of China.

Other Hot Cities for Foreign Travelers Starting Journey from Beijing



Conclusion	Proportion
City with rich tourism resources or located nearby Shanghai, Xi'an, Shenyang, Tianjin, Chongqing, Chengdu, Hangzhou, Chengde, Dalian	89.3%
Provincial capital city Kunming, Guangzhou, Hong Kong, Urumchi	7.65%
Hot travel destination Qingdao, Yantai	2.24%
Others	0.81%

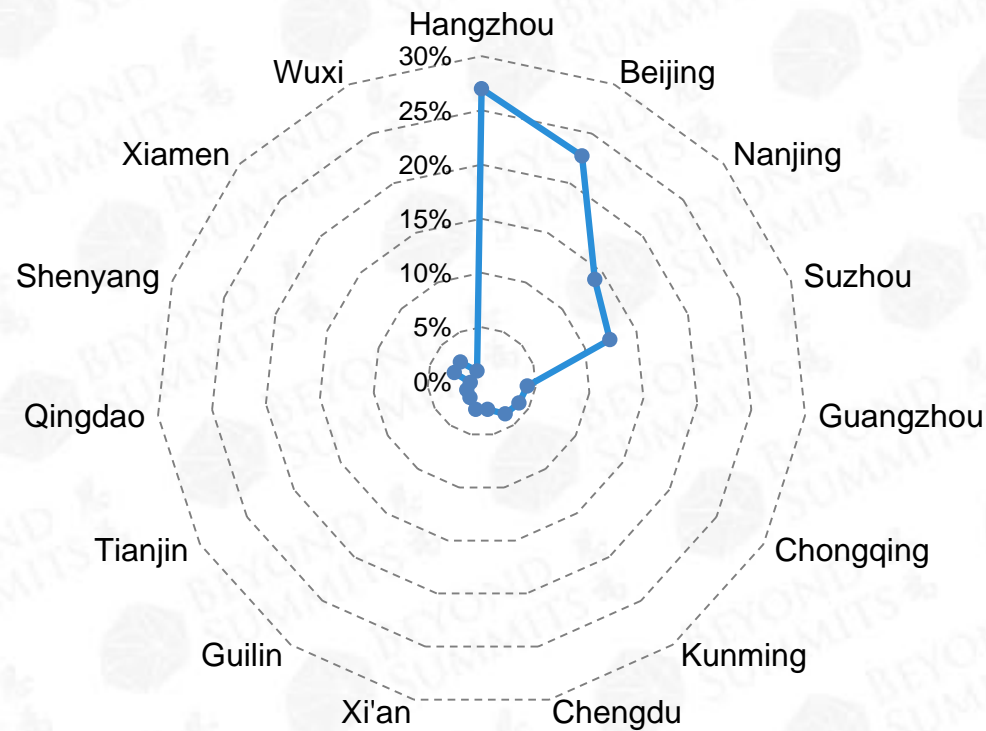
For inbound tourists starting journey from Beijing, they preferred to select Tianjin as the next destination in the route.

Direction		Route			
Southeast Direction	Beijing—>Tianjin	Beijing—Shanghai	Beijing—>Shanghai— >Xi'an—>Chengdu	Beijing—Hangzhou	Beijing—>Hangzhou— >Chongqing>Chengdu
Proportion (%)	15.48	15.06	5.02	4.18	2.51
West Direction	Beijing—>Xi'an	Beijing—>Xi'an— >Lijiang	Beijing—>Xi'an— >Guilin	Beijing—>Xi'an—>Dali	Beijing—>Urumchi
Proportion (%)	7.11	3.35	2.09	1.26	1.26
Northeast Direction	Beijing—>Shenyang	Beijing—>Chengde	Beijing—>Shenyang— >Shanghai	Beijing—>Shenyang— >Dalian	Beijing—>Shenyang— >Harbin
Proportion (%)	15.30	3.35	1.26	0.84	0.84
Southwest Direction	Beijing—>Chongqing	Beijing—>Kunming	Beijing—>Chengdu	Beijing—>Chongqing— >Kunming	Beijing—>Chengdu— >Chongqing
Proportion (%)	5.02	4.6	2.93	2.51	1.67
South Direction	Beijing—>Guangzhou	Beijing—>Hong Kong	Beijing—>Shenzhen— Shanghai	Beijing—>Guangzhou— >Chongqing—>Nanjing	Beijing—>Guangzhou— >Shanghai
Proportion (%)	3.35	2.51	2.09	1.67	1.26

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Shanghai tended to flow to cities in the south, west, north, southwest and northwest of China.

Other Hot Cities for Foreign Travelers Starting Journey from Shanghai



Conclusion	Proportion
City with rich tourism resources or located nearby Hangzhou, Nanjing, Suzhou, Wuxi	53.97%
First-tier and hot travel destination Beijing, Guangzhou, Chongqing, Chengdu, Xi'an, Guilin	38.10%
Hot travel destination Kunming, Tianjin, Qingdao, Shenyang, Shenyang, Xiamen	7.94%
Others	-

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

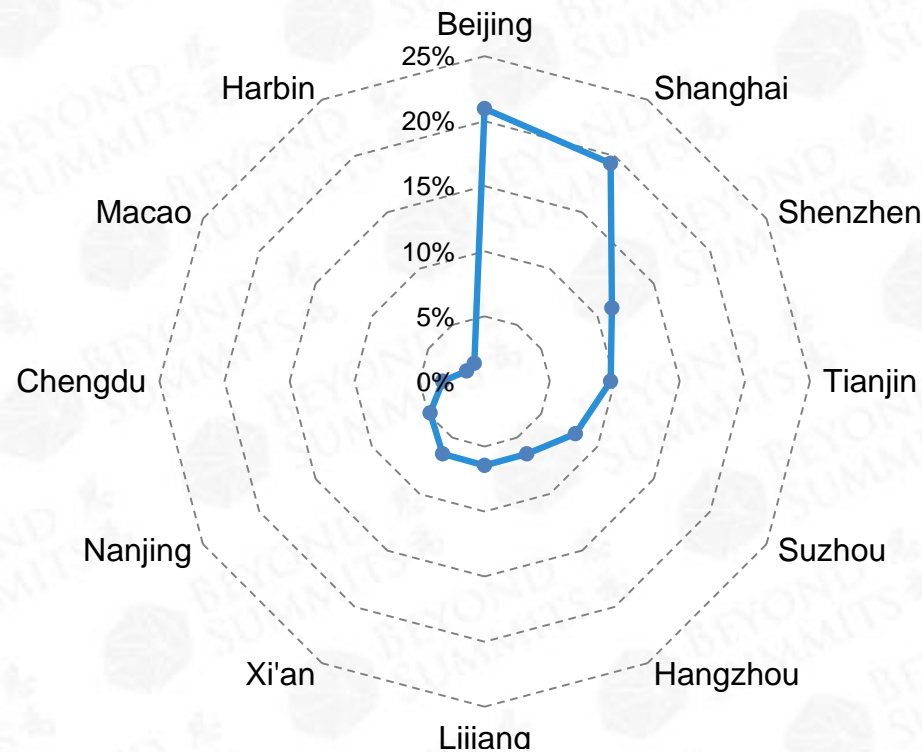
For inbound tourists starting journey from Shanghai, they preferred to select Hangzhou as the next destination in the route.

Direction	Route				
South Direction	Shanghai—>Hangzhou	Shanghai—>Hangzhou—>Beijing	Shanghai—>Hangzhou—>Suzhou	Shanghai—>Hangzhou—>Nanjing	Shanghai—>Hangzhou—>Xi'an
Proportion (%)	13.88	3.79	2.84	1.58	0.95
West Direction	Shanghai—>Nanjing	Shanghai—>Chongqing—>Chengdu	Shanghai—>Chengdu—>Chongqing	Shanghai—>Suzhou—>Hangzhou	Shanghai—>Nanjing—>Suzhou—>Hangzhou
Proportion (%)	12.62	4.73	4.1	3.79	2.52
North Direction	Shanghai—>Beijing	Shanghai—>Beijing—>Xi'an	Shanghai—>Beijing—>Chongqing	Shanghai—>Tianjin	Shanghai—>Qingdao
Proportion (%)	9.15	3.79	2.84	2.21	1.58
Southwest Direction	Shanghai—>Guangzhou	Shanghai—>Kunming—>Chongqing	Shanghai—>Guilin—>Beijing	Shanghai—>Guangzhou—>Suzhou	Shanghai—>Kunming—>Beijing
Proportion (%)	3.79	2.52	1.58	1.58	1.26
Northwest Direction	Shanghai—>Xi'an	Shanghai—>Xi'an—>Beijing	Shanghai—>Xi'an—>Chongqing	Shanghai—>Xi'an—>Chengdu	Shanghai—>Xi'an—>Nanjing
Proportion (%)	3.79	1.26	0.95	0.95	0.63

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Guangzhou tended to flow to cities in the north, northeast, southwest and northwest of China, or chose to tour around the province.

Other Hot Cities for Foreign Travelers Starting Journey from Guangzhou



Conclusion	Proportion
City with rich tourism resources or located nearby Beijing, Shanghai, Shenzhen, Hangzhou, Xi'an, Chengdu	67.74%
Provincial capital city, province-level municipality, special administrative region, or hot travel destination Tianjin, Suzhou, Lijiang, Nanjing, Macao, Harbin	32.26%
Others	-

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

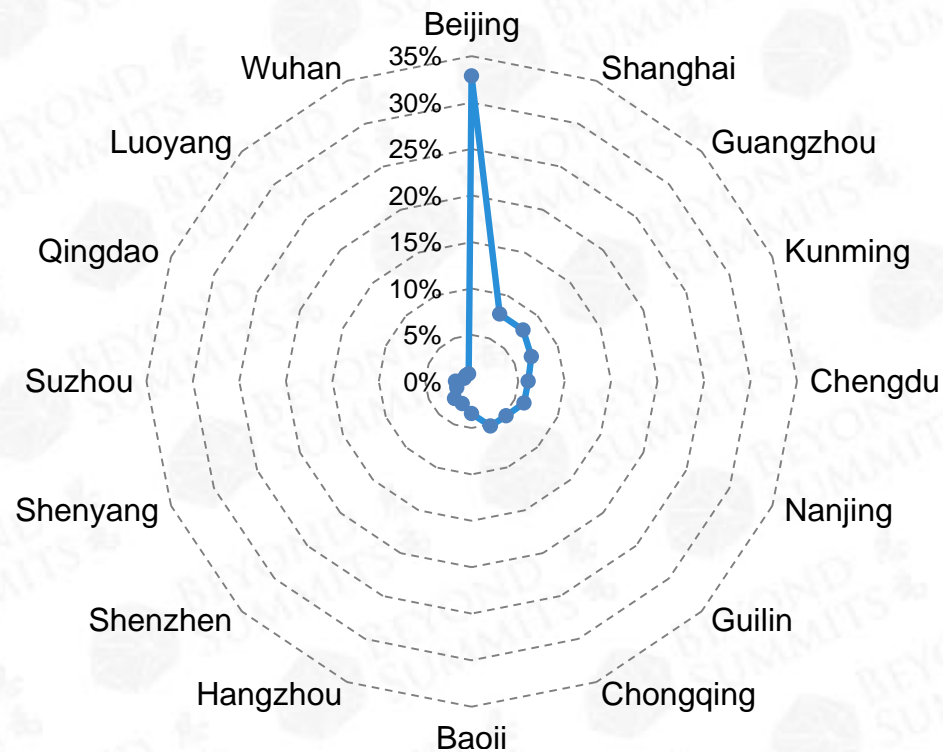
For inbound tourists starting journey from Guangzhou, they preferred to select Beijing as the next destination in the route.

Direction		Route			
Province	Guangzhou— >Shenzhen	Guangzhou— >Shenzhen—>Hong Kong	Guangzhou— >Shenzhen—>Xi'an	Guangzhou— >Shenzhen— >Chongqing—>Beijing	Guangzhou— >Shenzhen—>Guilin— >Chengdu—>Xi'an
Proportion (%)	11.65	7.77	3.88	1.94	0.97
North Direction	Guangzhou— >Beijing	Guangzhou— >Tianjin—>Shanghai	Guangzhou— >Beijing—>Tianjin	Guangzhou— >Beijing—>Shenyang	Guangzhou— >Harbin—>Hong Kong
Proportion (%)	12.62	5.83	2.91	1.94	0.97
Northeast Direction	Guangzhou— >Shanghai	Guangzhou— >Suzhou—>Shanghai	Guangzhou— >Hangzhou— >Shanghai	Guangzhou— >Nanjing—>Xi'an	Guangzhou— >Fuzhou—>Suzhou
Proportion (%)	11.65	4.85	3.88	2.91	0.97
Northwest Direction	Guangzhou—>Lijiang	Guangzhou—>Xi'an— >Chengdu	Guangzhou— >Chengdu	Guangzhou—>Guilin— >Chengdu	Guangzhou— >Kunming—>Dali
Proportion (%)	3.88	2.91	2.91	1.94	0.97

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Xi'an tended to flow to cities in the northeast, southwest, east, south or west of China; they also preferred to tour around the province.

Other Hot Cities for Foreign Travelers Starting Journey from Xi'an



Conclusion	Proportion
City with rich tourism resources or located nearby Beijing, Shanghai, Guangzhou, Chengdu, Guilin, Chongqing	72.17%
Provincial capital city or hot travel destination Kunming, Nanjing, Hangzhou, Shenzhen, Shenyang, Suzhou, Qingdao, Luoyang, Wuhan	24.35%
Hot cities nearby in the province Baoji	3.48%
Others	-

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

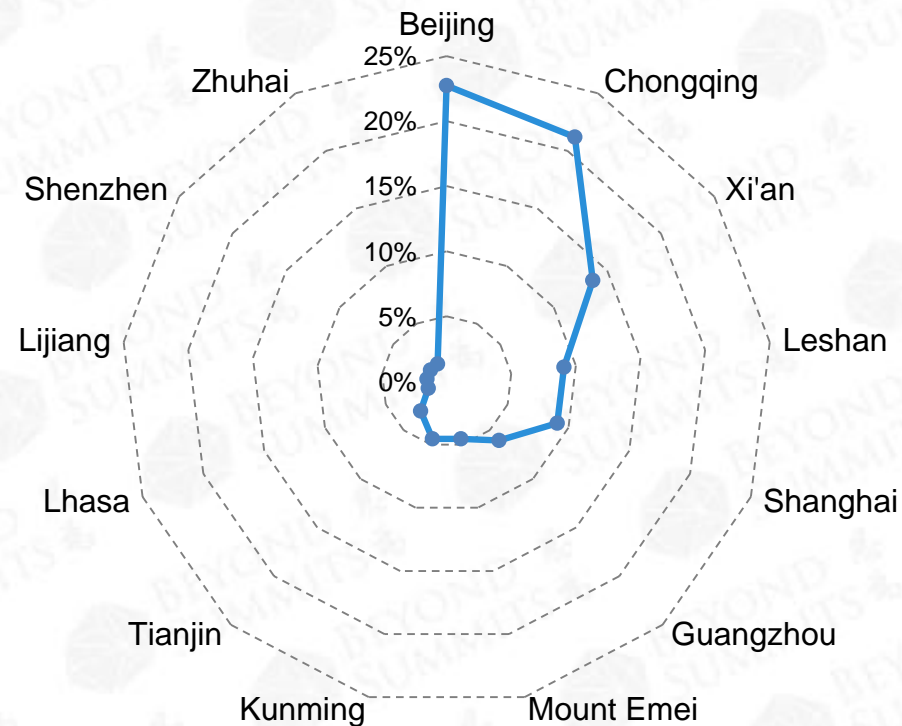
For inbound tourists starting journey from Xi'an, they preferred to select Beijing as the next destination in the route.

Direction		Route			
Northeast Direction	Xi'an—>Beijing	Xi'an—>Beijing— >Shanghai	Xi'an—>Beijing— >Guilin—>Kunming	Xi'an—>Beijing—>Tianjin	Xi'an—>Shenyang— >Guangzhou
Proportion (%)	22.14	6.11	3.05	2.29	1.53
Southwest Direction	Xi'an—>Chengdu— >Chongqing	Xi'an—>Kunming— >Chongqing	Xi'an—>Chongqing	Xi'an—>Chongqing—>Kunming	Xi'an—>Chengdu
Proportion (%)	6.11	4.58	3.82	3.05	2.29
East Direction	Xi'an—>Shanghai	Xi'an—>Shanghai— >Guangzhou	Xi'an—>Nanjing— >Shanghai	Xi'an—>Suzhou— >Hangzhou—>Chongqing— >Kunming	Xi'an—>Shanghai— >Nanjing
Proportion (%)	8.4	3.82	3.05	2.29	1.53
South Direction	Xi'an—>Guangzhou	Xi'an—>Guangzhou— >Shanghai	Xi'an—>Guilin— >Zhangjiajie	Xi'an—>Guilin—>Beijing	Xi'an—>Zhuhai
Proportion (%)	6.11	3.82	2.29	1.53	0.76
West Proportion	Xi'an—>Baoji	Xi'an—>Xining, Lanzhou	Xi'an—>Lhasa	Xi'an—>Dunhuang	-
Proportion (%)	1.53	1.53	0.76	0.76	-

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Chengdu tended to flow to cities in the northeast, southwest, east, north or southeast of China.

Other Hot Cities for Foreign Travelers Starting Journey from Chengdu



Conclusion	Proportion
City with rich tourism resources or first-tier city Beijing, Chongqing, Xi'an, Shanghai, Guangzhou	72.73%
Provincial capital city, province-level municipality or hot travel destination Kunming, Tianjin, Lhasa, Lijiang, Shenzhen, Zhuhai	13.64%
Popular city nearby in the province Leshan, Mount Emei	13.64%
Others	-

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

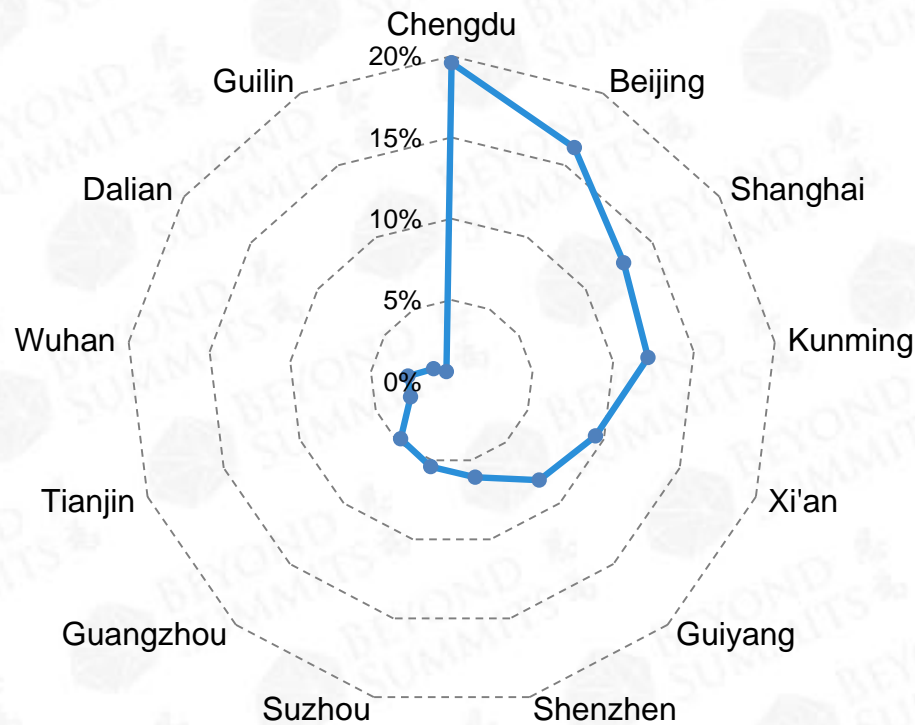
For inbound tourists starting journey from Chengdu, they preferred to select Beijing as the next destination in the route.

Direction		Route			
Northeast Direction	Chengdu—>Beijing	Chengdu—>Beijing— >Shanghai	Chengdu—>Tianjin	Chengdu—>Beijing— >Dalian	Chengdu—>Beijing— >Qingdao
Proportion (%)	13.48	5.62	3.37	2.25	1.12
East Direction	Chengdu— >Chongqing	Chengdu—>Shanghai	Chengdu—>Chongqing— >Xi'an	Chengdu— >Chongqing—>Beijing	Chengdu— >Shanghai—>Suzhou
Proportion (%)	12.36	6.74	4.49	3.37	2.25
North Direction	Chengdu—>Xi'an	Chengdu—>Xi'an— >Beijing	Chengdu—>Xi'an— >Guilin	Chengdu—>Xi'an— >Kunming	-
Proportion (%)	10.11	3.37	2.25	1.12	-
Southeast Direction	Chengdu— >Guangzhou	Chengdu—>Guangzhou— >Shenzhen	Chengdu—>Guangzhou— >Changsha	Chengdu—>Shenzhen	Chengdu—>Zhuhai
Proportion (%)	4.49	2.25	2.25	1.12	1.12
Southwest Direction	Chengdu—>Kunming	Chengdu—>Mount Emei	Chengdu—>Lhasa	Chengdu—>Lijiang	Chengdu—>Dali
Proportion (%)	4.49	3.37	2.25	2.25	1.12

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Chongqing tended to flow to cities in the west, north, east, southwest, northwest or southeast of China.

Other Hot Cities for Foreign Travelers Starting Journey from Chongqing



Conclusion	Proportion
Hot travel destination nearby Chengdu, Guilin, Xi'an, Guiyang	49.32%
First-tier city or hot city Beijing, Shanghai, Shenzhen, Suzhou, Guangzhou, Tianjin, Wuhan, Dalian, Guilin	50%
Others	0.68%

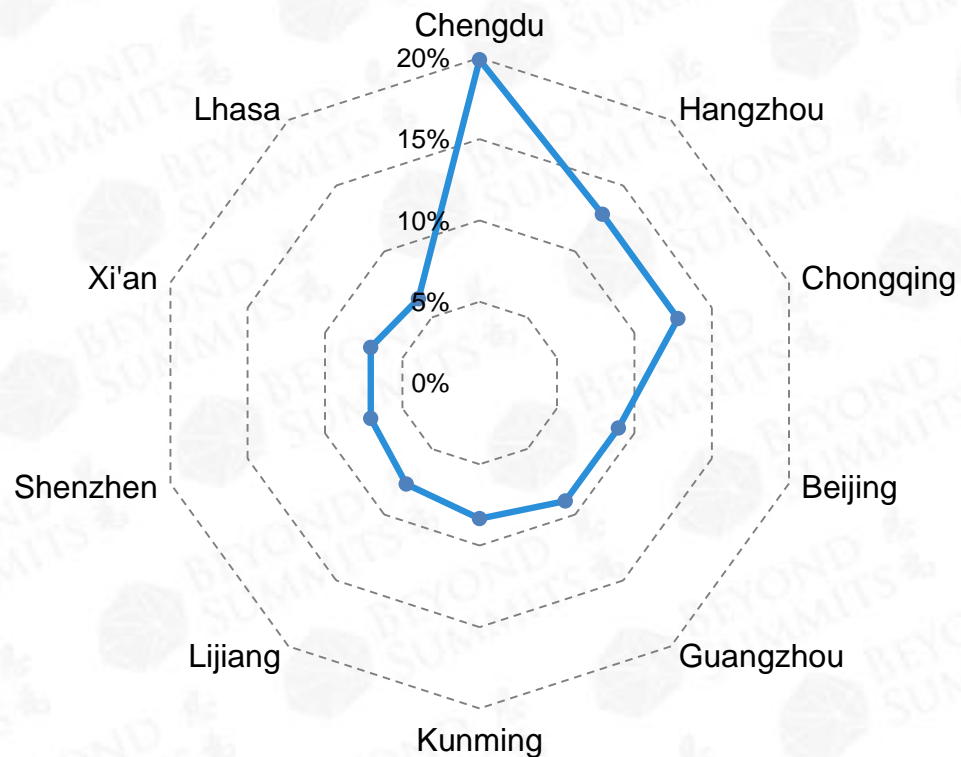
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

For inbound tourists starting journey from Chongqing, they preferred to select Chengdu as the next destination in the route.

Direction	Route				
West Direction	Chongqing—>Chengdu	Chongqing—>Chengdu—>Kunming	Chongqing—>Chengdu—>Beijing	Chongqing—>Chengdu—>Shanghai	Chongqing—>Chengdu—>Shenzhen—>Shanghai
Proportion (%)	12.27	4.91	1.84	1.84	1.23
North Direction	Chongqing—>Beijing	Chongqing—>Beijing—>Shanghai	Chongqing—>Beijing—>Xi'an	Chongqing—>Beijing—>Chengdu	Chongqing—>Beijing—>Kunming
Proportion (%)	7.36	4.29	3.68	1.23	0.61
East Direction	Chongqing—>Shanghai—>Shenzhen	Chongqing—>Shanghai	Chongqing—>Suzhou—>Nanjing—>Hangzhou	Chongqing—>Shanghai—>Beijing	Chongqing—>Wuhan—>Chengdu
Proportion (%)	5.52	4.91	2.45	1.84	1.23
Southwest Direction	Chongqing—>Kunming	Chongqing—>Kunming—>Beijing	Chongqing—>Kunming—>Shanghai	Chongqing—>Kunming—>Guilin	Chongqing—>Kunming—>Lijiang
Proportion (%)	5.52	3.07	3.07	2.45	1.84
Northwest Direction	Chongqing—>Xi'an—>Beijing	Chongqing—>Xi'an—>Kunming	Chongqing—>Xi'an—>Shanghai	Chongqing—>Xi'an—>Xining	Chongqing—>Xi'an—>Dunhuang
Proportion (%)	3.68	3.07	1.84	0.61	0.61
Southeast Direction	Chongqing—>Guangzhou	Chongqing—>Guangzhou—>Hangzhou—>Beijing	Chongqing—>Guangzhou—>Shenzhen	Chongqing—>Shenzhen	-
Proportion (%)	2.45	1.23	1.23	0.61	-

Inbound tourists who started their journey from Chongqing tended to flow to cities in the northwest, northeast, north, southeast or west of China.

Other Hot Cities for Foreign Travelers Starting Journey from Guilin



Conclusion	Proportion
First-tier city or hot city Chengdu, Hangzhou, Chongqing, Beijing, Xi'an, Lhasa	67.95%
Provincial capital city nearby or hot city Guangzhou, Kunming, Lijiang, Shenzhen	30%
Others	2.05%

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

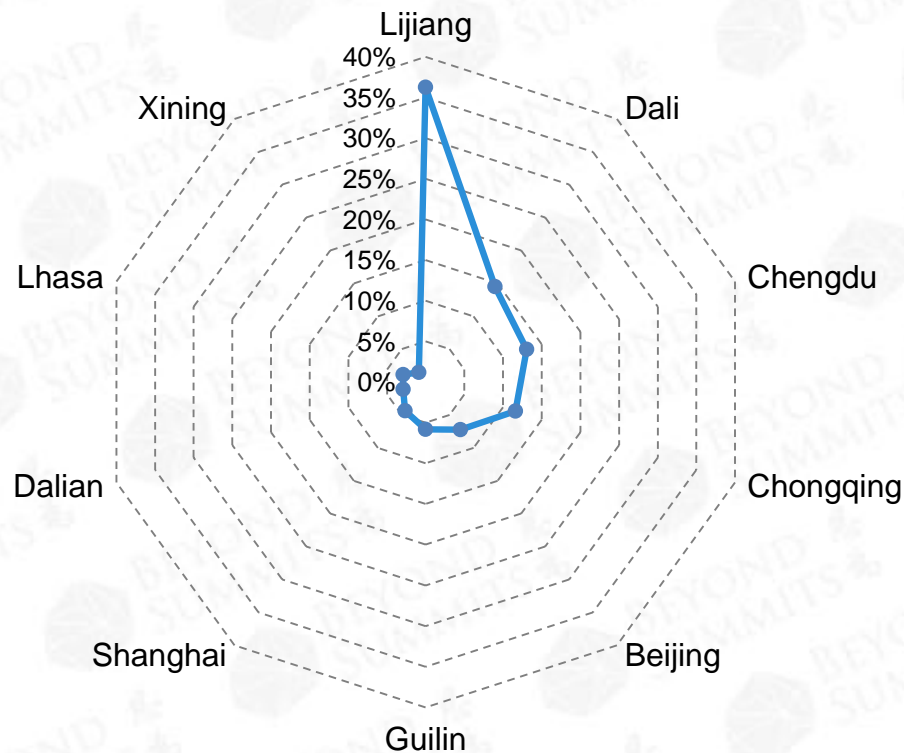
For inbound tourists starting journey from Guilin, they preferred to select Chengdu as the next destination in the route.

Direction		Route			
Northwest Direction	Guilin—>Chengdu	Guilin—>Chongqing	Guilin—>Chengdu— >Chongqing	Guilin—>Chongqing— >Beijing	Guilin—>Chengdu— >Chongqing—>Xi'an
Proportion (%)	10.74	10.07	7.38	3.36	2.68
Northeast Direction	Guilin—>Shanghai	Guilin—>Hangzhou— >Shanghai	Guilin—>Beijing— >Shanghai	Guilin—>Beijing— >Xi'an	Guilin—>Hangzhou— >Suzhou
Proportion (%)	7.38	6.71	4.7	2.01	1.34
North Direction	Guilin—>Xi'an	Guilin—>Xi'an— >Beijing	Guilin—>Xi'an— >Shanghai	Guilin—>Xi'an— >Chengdu	Guilin—>Xi'an— >Chongqing
Proportion (%)	7.38	4.03	3.36	0.67	0.67
Southeast Direction	Guilin—>Guangzhou	Guilin—>Guangzhou— >Shenzhen	Guilin—>Guangzhou— >Hong Kong	Guilin—>Guangzhou— >Shanghai	Guilin—>Guangzhou— >Macao
Proportion (%)	6.71	2.01	1.35	0.67	0.67
West Direction	Guilin—>Kunming	Guilin—>Kunming— >Dali	Guilin—>Kunming— >Lijiang	Guilin—>Shangri-La	Guilin—>Lhasa
Proportion (%)	5.37	2.01	2.01	0.67	0.67

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Kunming tended to tour around the province, or flow to cities in the west, north, northeast or east of China.

Other Hot Cities for Foreign Travelers Starting Journey from Kunming



Conclusion	Proportion
Hot city nearby in the province, province-level municipality close to Yunnan, provincial capital city Lijiang, Dali, Chengdu, Chongqing, Guilin and Lhasa	84.06%
First-tier city or hot travel destination Beijing, Shanghai, Dalian	14.49%
Remote provincial capital city Xining	1.45%
Others	—

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

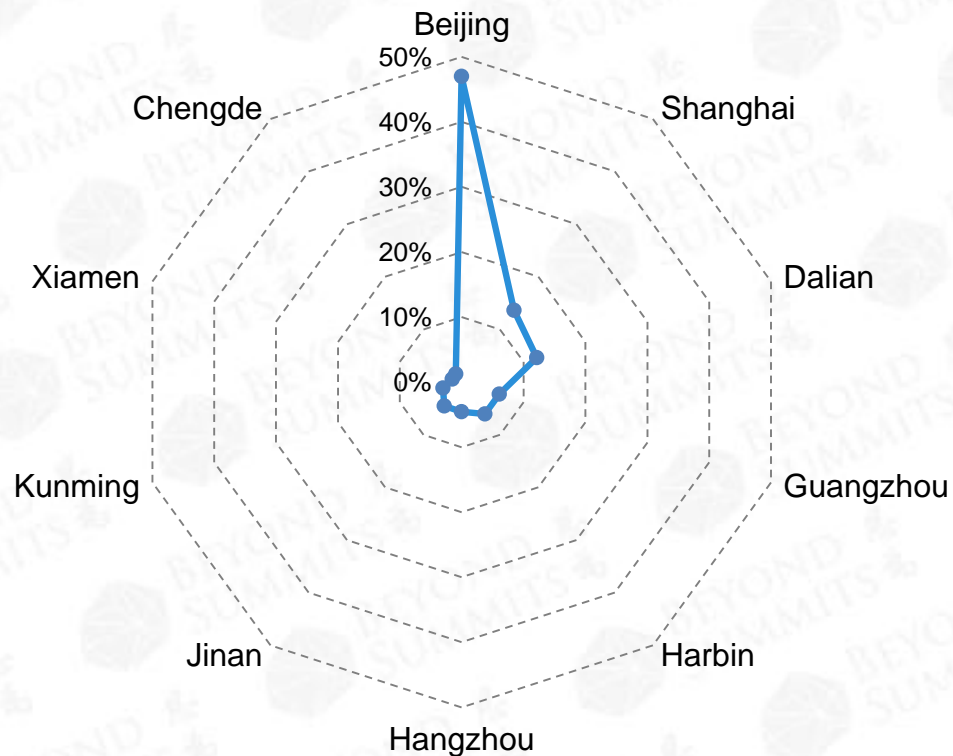
For inbound tourists starting journey from Kunming, they preferred to select Lijiang as the next destination in the route.

Direction	Route				
In the province, west direction	Kunming—>Lijiang	Kunming—>Dali—>Lijiang	Kunming—>Lijiang—>Dali	Kunming—>Lijiang—>Shangri-La	Kunming—>Lhasa
Proportion (%)	17.24	11.49	6.9	4.6	2.3
North Direction	Kunming—>Chengdu	Kunming—>Chongqing—>Chengdu	Kunming—>Chengdu—>Xi'an	Kunming—>Chongqing—>Beijing	Kunming—>Xining
Proportion (%)	8.05	6.9	3.45	3.45	1.15
Northeast Direction	Kunming—>Beijing	Kunming—>Beijing—>Dalian	Kunming—>Beijing—>Guilin	Kunming—>Dalian	Kunming—>Beijing—>Shenzhen
Proportion (%)	5.75	3.45	3.45	2.3	1.15
East Direction	Kunming—>Guilin	Kunming—>Shanghai	Kunming—>Guangzhou—>Shanghai	Kunming—>Hangzhou	Kunming—>Shanghai—>Hangzhou
Proportion (%)	4.6	3.45	2.3	2.3	1.15

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Inbound tourists who started their journey from Shenyang tended to flow to cities in the southwest, south, north or west of China.

Other Hot Cities for Foreign Travelers Starting Journey from Shenyang



Conclusion	Proportion
City in the province, first-tier city close to Liaoning province Beijing, Dalian, Harbin, Jinan, and Chengde	71.21%
First-tier city Shanghai, Guangzhou, Kunming, Hangzhou, Xiamen	28.79%
Others	—

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

For inbound tourists starting journey from Shenyang, they preferred to select Beijing as the next destination in the route.

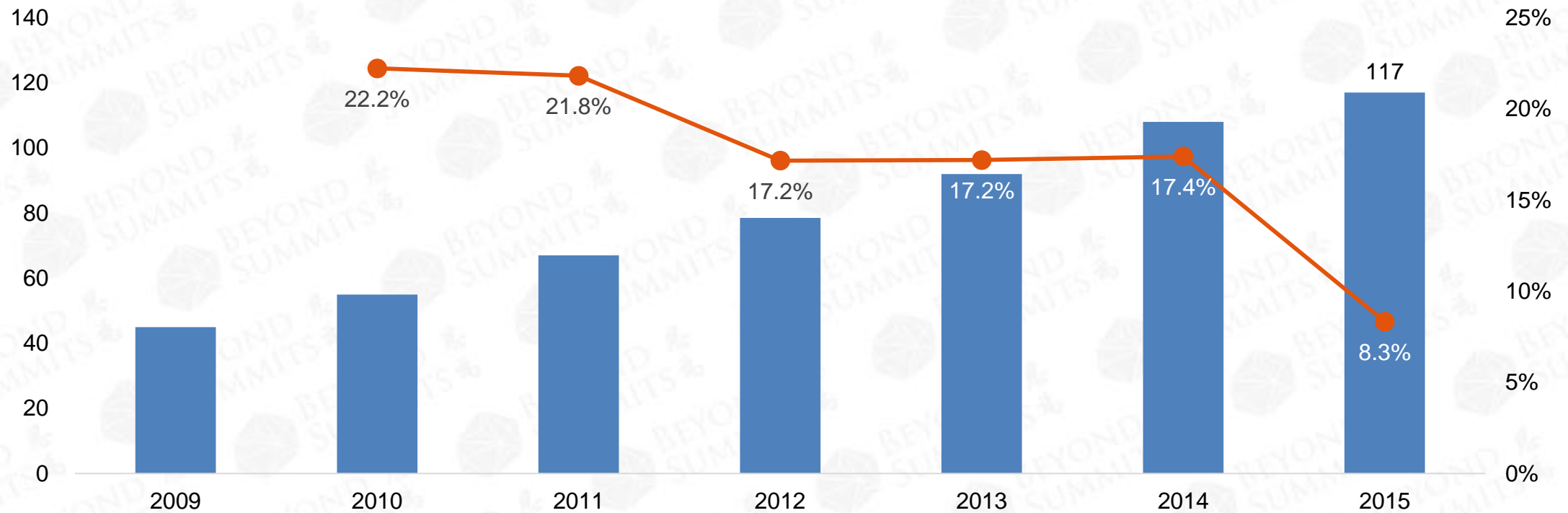
Direction		Route			
Southwest Direction	Shenyang—>Beijing	Shenyang—>Beijing, Shanghai	Shenyang—>Beijing, Dalian	Shenyang—>Beijing, Xi'an	Shenyang—>Beijing, Tianjin
Proportion (%)	25.33	8	4	2.67	1.33
South Direction	Shenyang—>Shanghai	Shenyang—>Dalian	Shenyang—>Dalian, Harbin	Shenyang—>Dalian, Changchun	Shenyang—>Jinan, Qingdao
Proportion (%)	8	6.67	5.33	4	2.67
North Direction	Shenyang—>Harbin	Shenyang—>Changchun	Shenyang—>Changchun, Harbin	Shenyang—>Harbin, Beijing	-
Proportion (%)	6.67	5.33	2.67	1.33	-
West Direction	Shenyang—>Changde	Shenyang—>Xi'an	Shenyang—>Taiyuan	-	-
Proportion (%)	2.67	2.67	1.33	-	-

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

2015 China Outbound Tourism

China's outbound tourism maintained its growth, and the number of outbound tourists reached 117 million person-times in 2015 with lower growth rate.

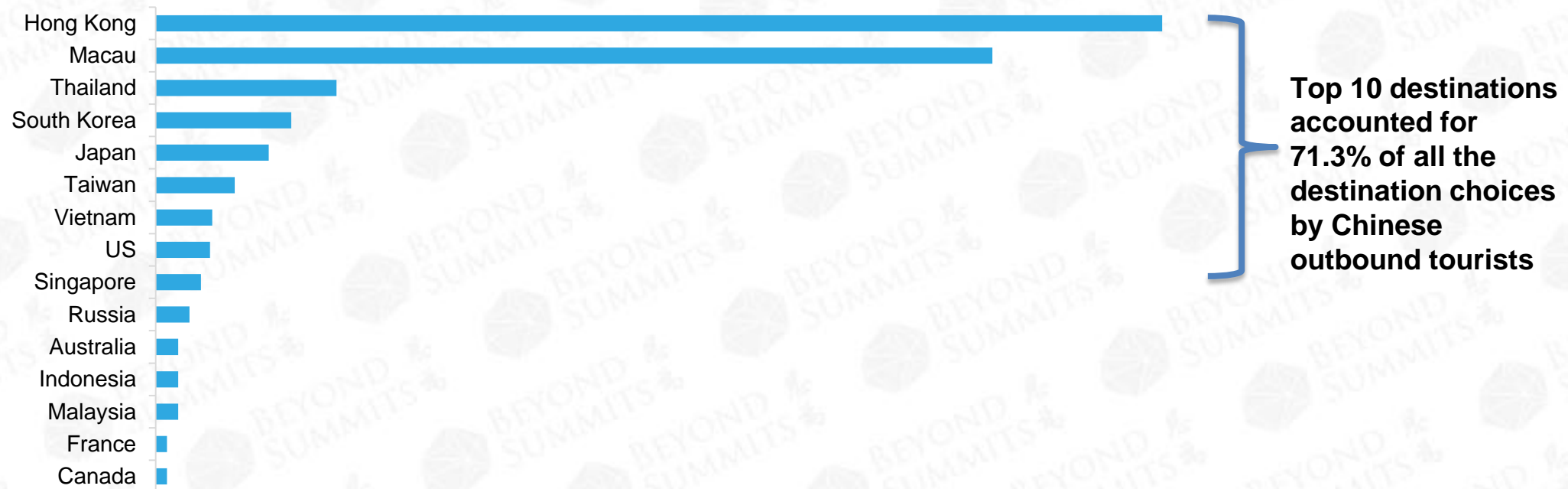
The Number of China's Outbound Tourists (million person-time)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

For most Chinese outbound tourists, Hong Kong and Macau were their first choices in 2015, with outbound tourist number reaching more than 45 million and 35 million person-times respectively. Chinese outbound tourists also scrambled for Thailand, South Korea, Japan, Taiwan, Vietnam, US, Singapore and Russia in 2015.

TOP 15 Outbound Destinations for Chinese Tourists in 2015 ('000 person-time)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

In 2015, Chinese tourists with high potential to travel abroad mainly concentrated in the highly developed regions of China, where there were more consulates and good traffic condition. It should be noted that travel intention of people from Chongqing, Sichuan, Hunan, Shaanxi, Shanxi, Jilin has become stronger.

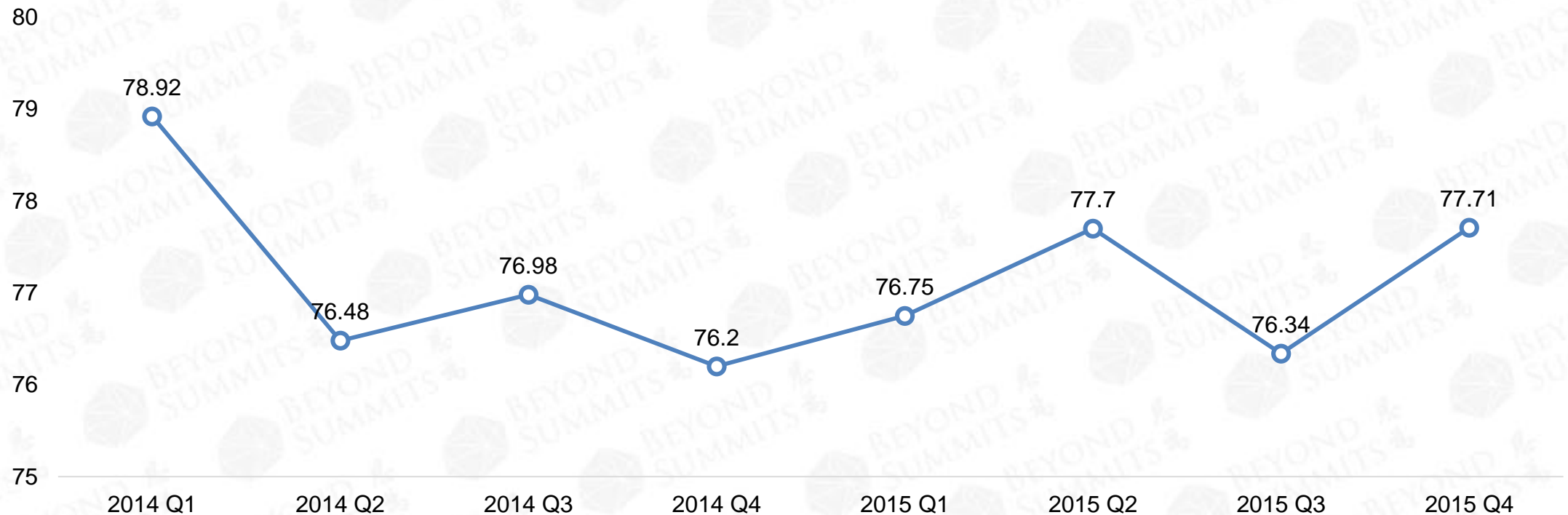
Potential Travelling Ability of Residents from Different Provinces and Cities in 2015

Province/ Province- level Municipality	Potential Travelling Ability Top 1-10 (Score)	Ranking	Province/ Province- level Municipality	Potential Travelling Ability Top 1-10 (Score)	Ranking
Beijing	1.0000	1	Hebei	0.3998	11
Shanghai	0.9562	2	Henan	0.3799	12
Guangdong	0.8542	3	Hunan	0.3503	13
Jiangsu	0.7430	4	Sichuan	0.3270	14
Zhejiang	0.7314	5	Shaanxi	0.3257	15
Tianjin	0.6498	6	Chongqing	0.3201	16
Shandong	0.5693	7	Anhui	0.3174	17
Liaoning	0.4943	8	Heilongjiang	0.3102	18
Fujian	0.4879	9	Shanxi	0.3009	19
Hubei	0.4152	10	Jilin	0.2945	20

Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Based on the investigation of satisfaction degree from China Tour Research Institute, Chinese tourists' satisfaction degree for outbound travel fluctuated in 2014 and 2015, with average score at 77.1. Tourists' satisfaction degree collected from Internet comments and questionnaire were at 79.79 and 76.18 respectively.

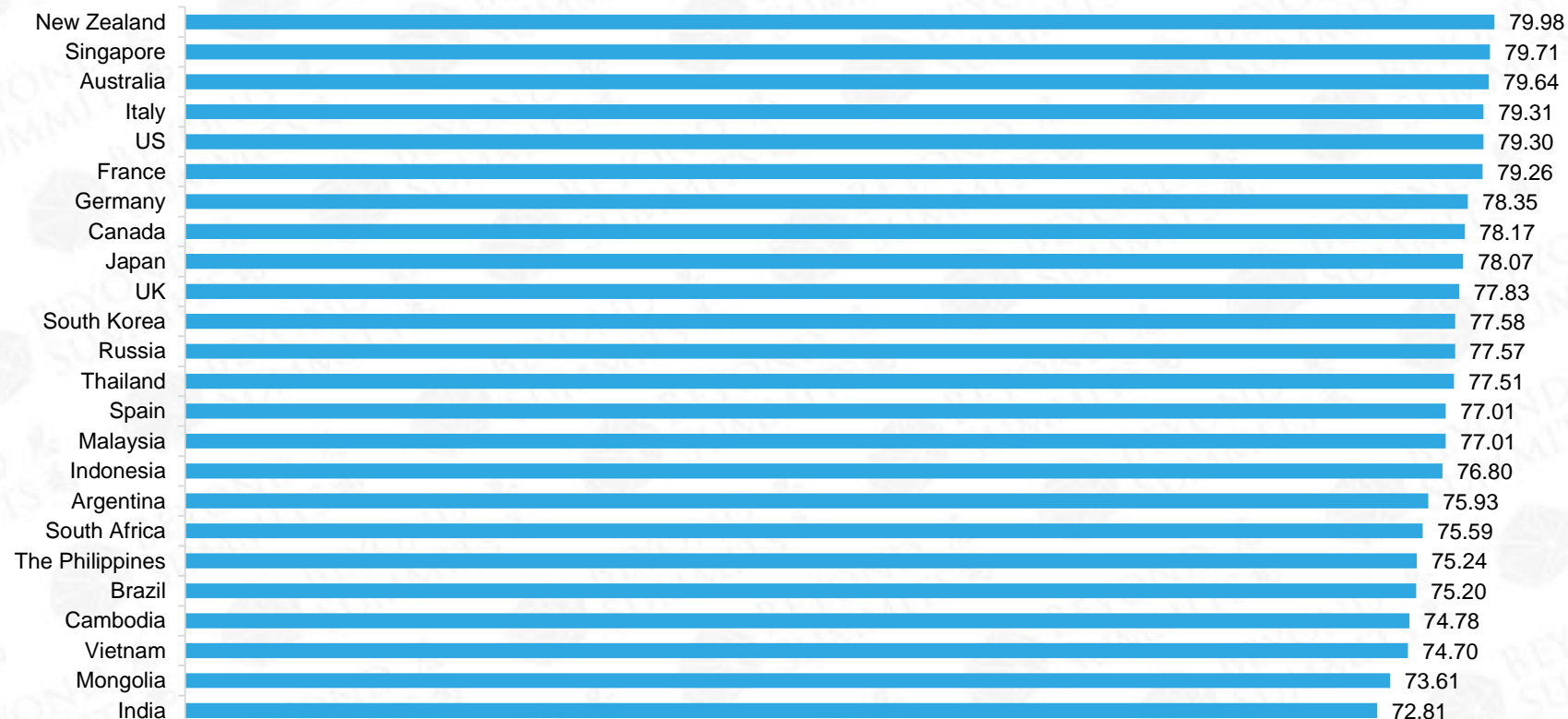
Chinese Tourists' Satisfaction Degree for Outbound Travel



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

According to the investigation of satisfaction degree from China Tour Research Institute, 20 countries out of 24 sample countries achieved the basic satisfaction level of 75 score or more in 2015. Chinese outbound tourists were most satisfied with New Zealand, Singapore, Australia, Italy and US.

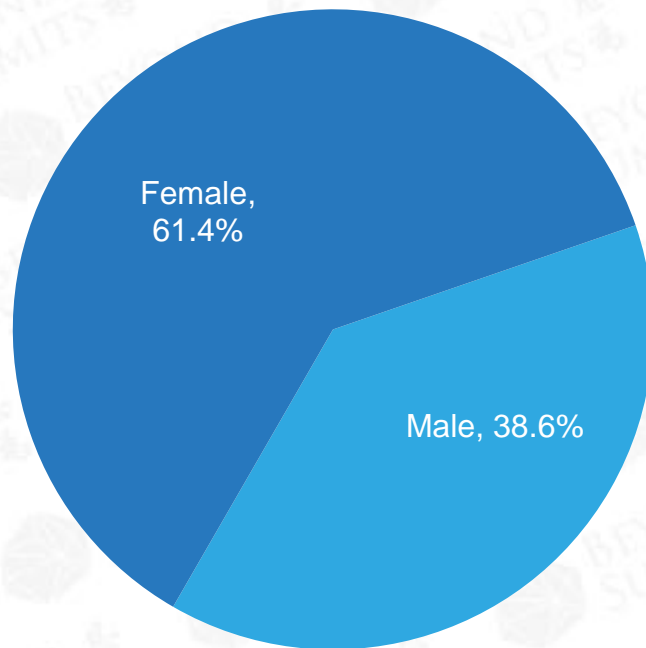
Chinese Tourists' Satisfaction Degree for Outbound Destinations



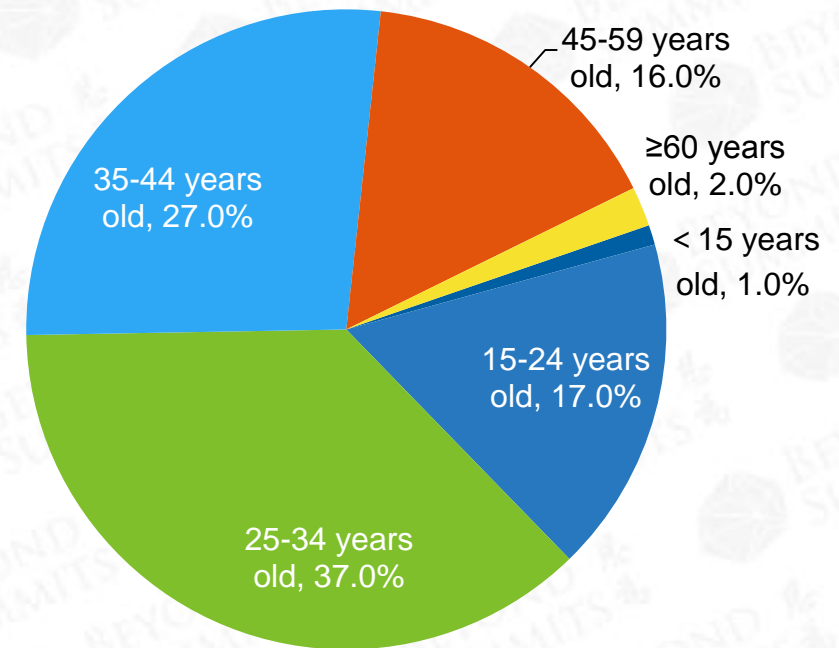
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Among the interviewed Chinese outbound tourists, females tourists were more than males in 2015 and most of them belonged to 25-34 years old or 35-44 years old age groups.

Interviewed Outbound Tourists' Gender Distribution in 2015



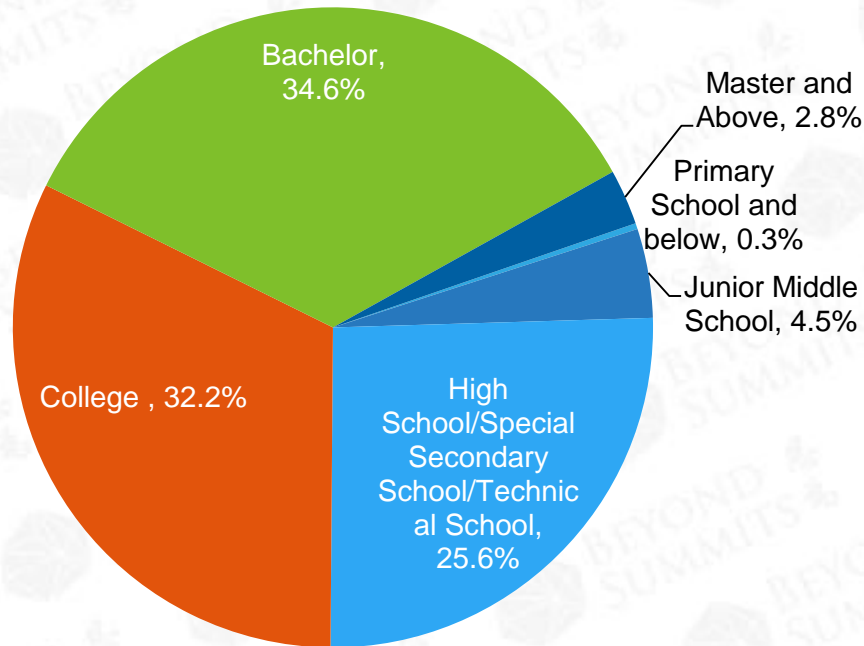
Interviewed Outbound Tourists' Age Distribution in 2015



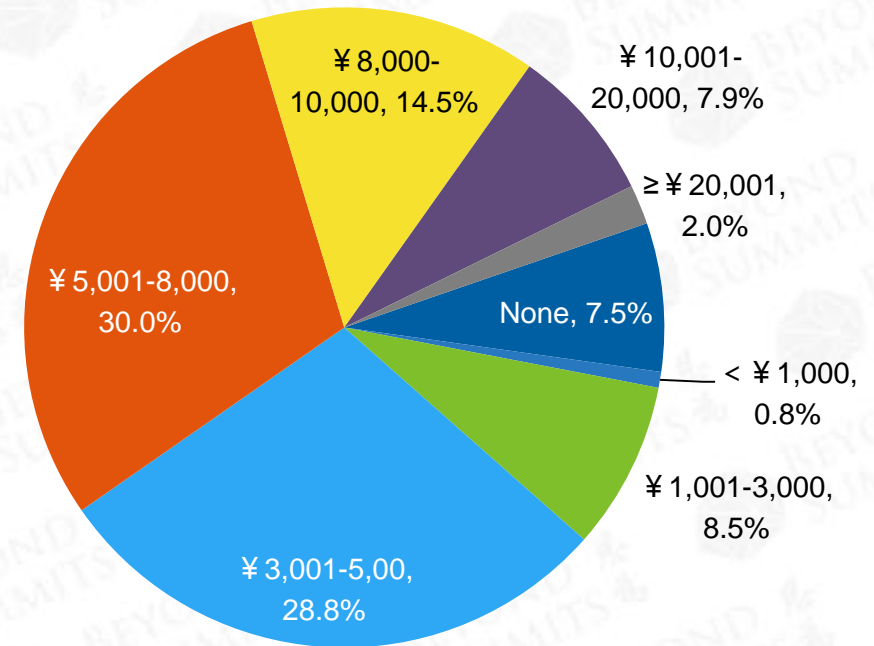
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Outbound tourists interviewed with bachelor degree constituted the largest proportion of the total, followed by college degree. Most of them had a monthly income (before tax) of CNY5,001-8,000, followed by CNY3,001-5,000. They were engaged in a wide range of industries, from retail, to manufacturing, finance and construction.

**Education Level of Outbound Tourists
Interviewed in 2015**



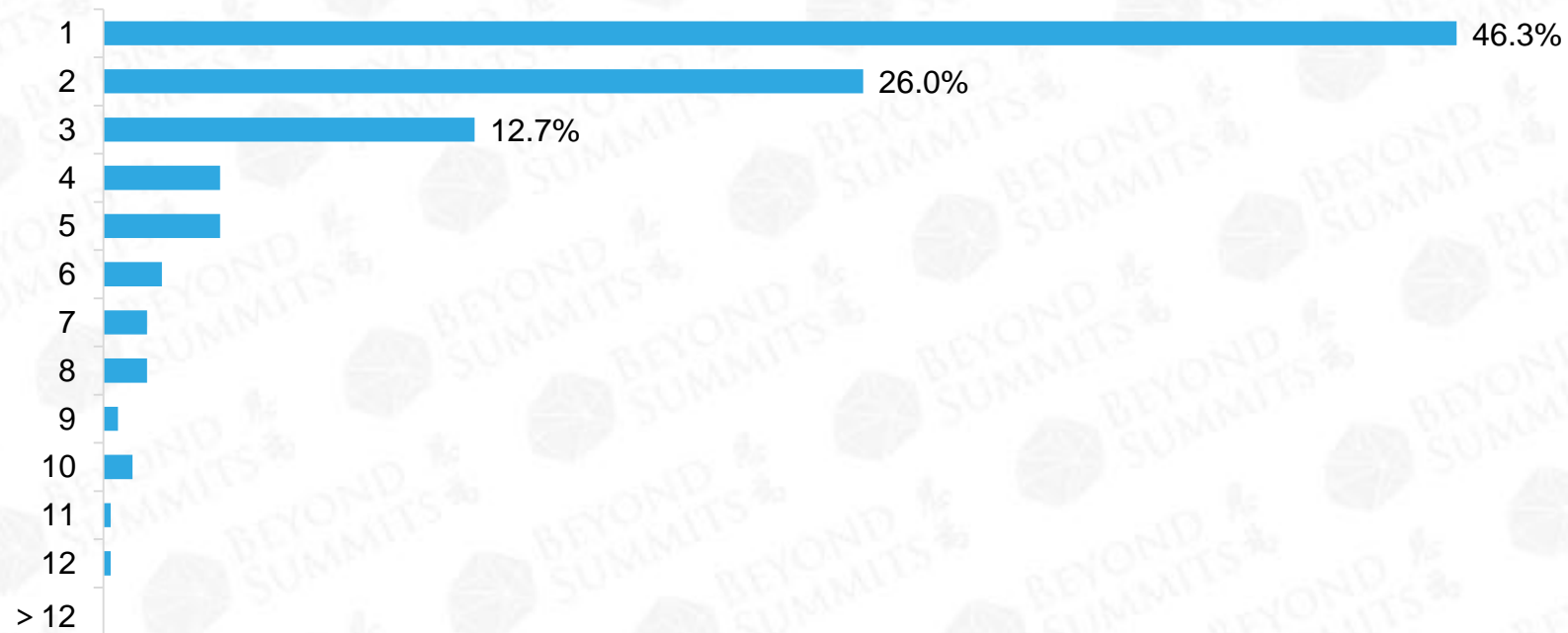
**Monthly Income of Outbound Tourists
Interviewed in 2015**



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Most outbound tourist interviewed didn't travel abroad very frequently. 46.3% of them traveled abroad for the first time, 26% for the second time and 12.7% for the third time.

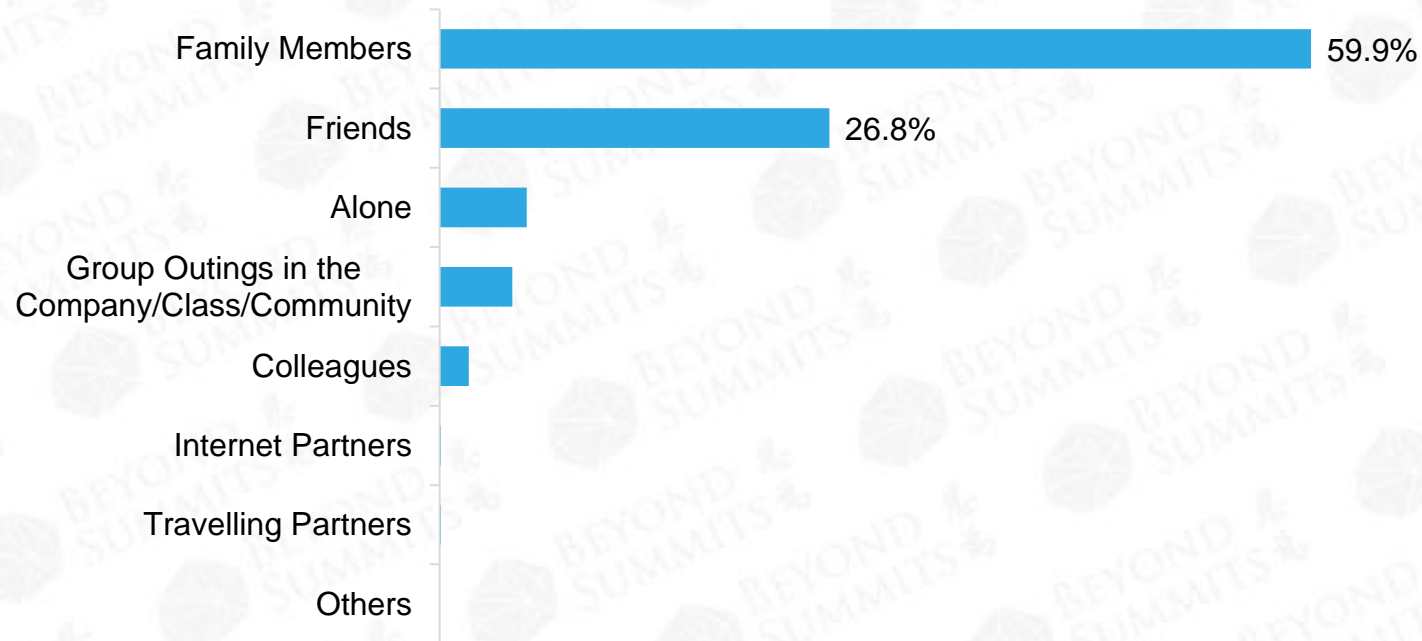
Travel Frequency of Chinese Outbound Tourists in 2015



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

60% of interviewed Chinese outbound tourists travelled with family members in 2015. They also preferred to travel with friends. Moreover, the proportion of tourists choosing overseas agency reached 77.2% in 2015, and tourists who were unfamiliar with the destination had more intention to pick a package tour.

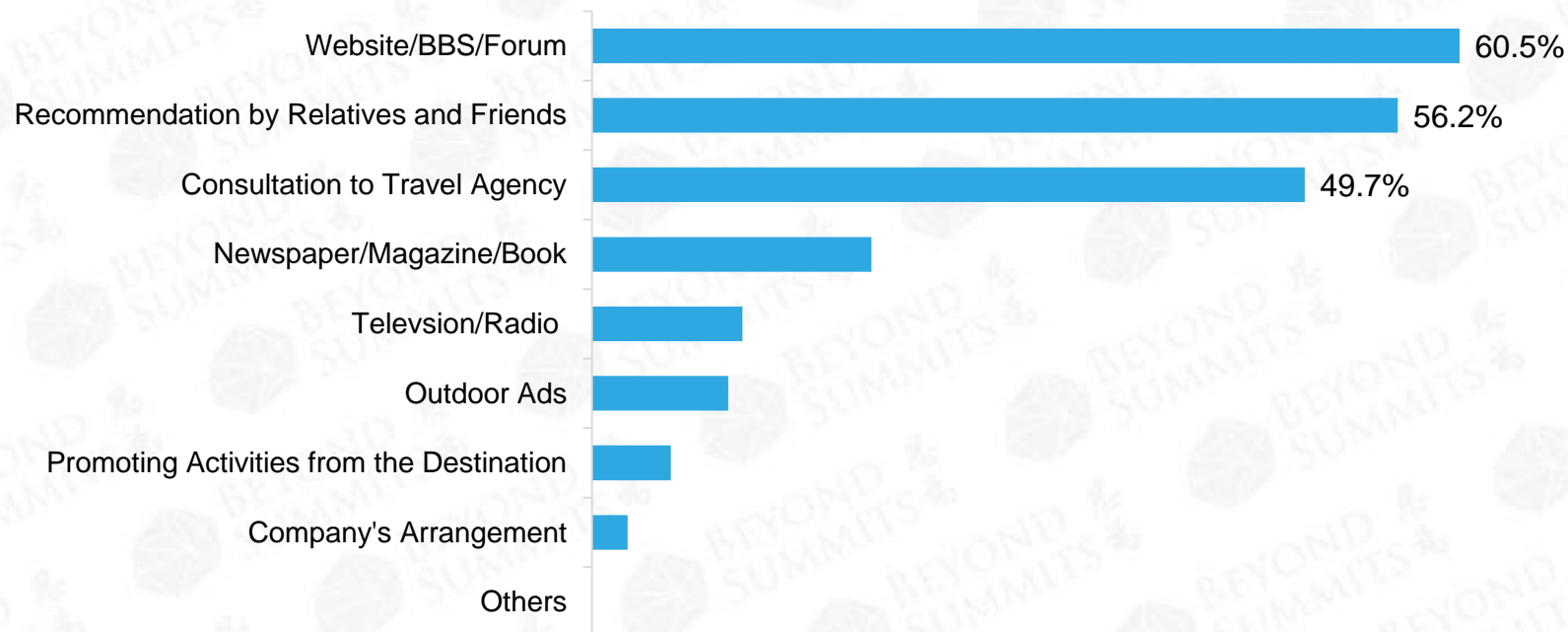
Interviewed Chinese Outbound Tourists' Travel Companion in 2015



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Most Chinese outbound tourists had knowledge of travel information via websites, BBS, forum(60.5%), recommendation from relatives and friends(56.2%), or they tended to consult with travel agency(49.7%).

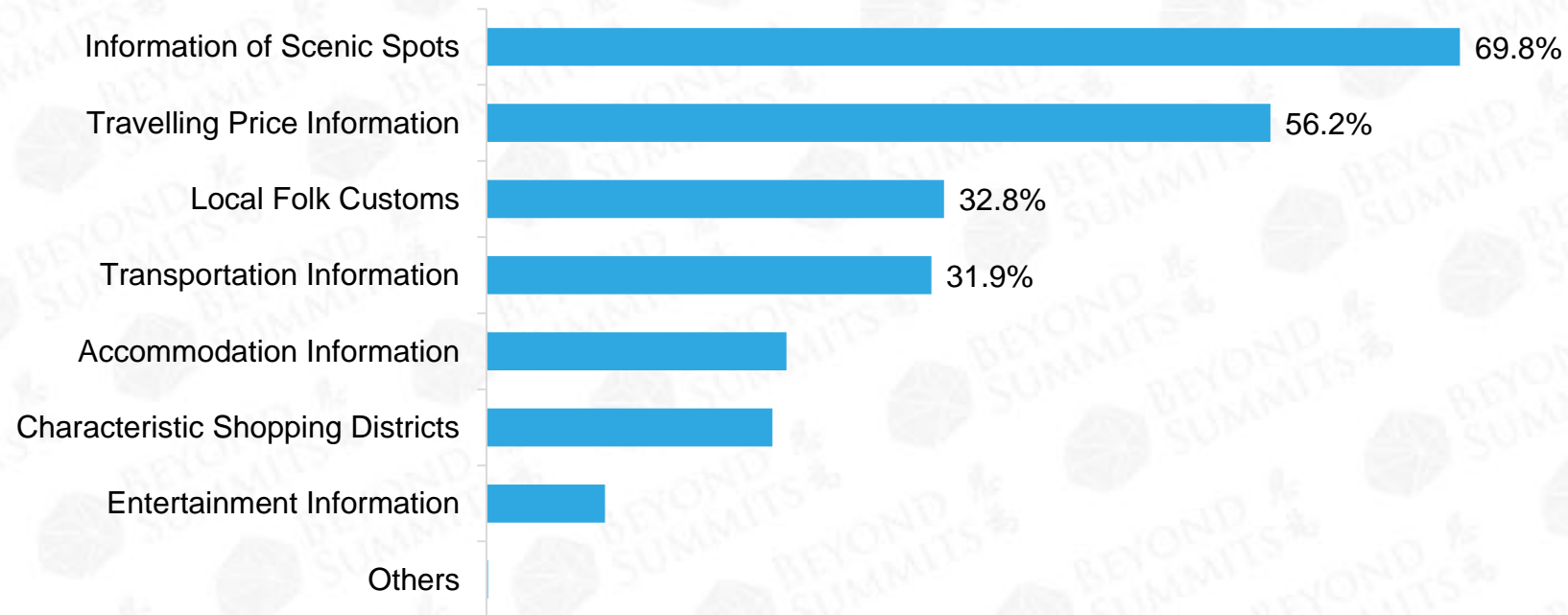
Travel Information Source for Interviewed Chinese Outbound Tourists in 2015



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

More interviewers would acquire information of scenic spots, travelling price, and local folk customs before travelling, accounting for 69.8%, 56.2%, and 32.8% respectively.

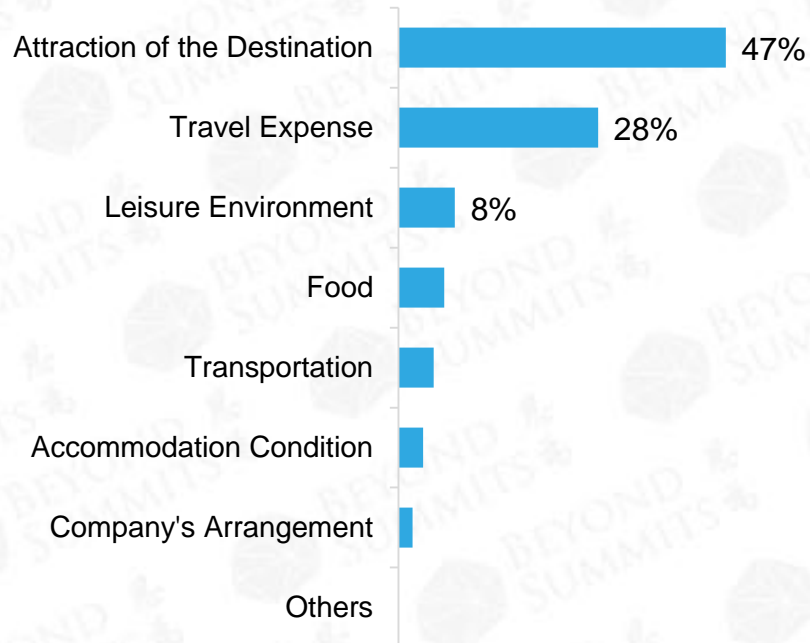
Travel Information Obtained by Interviewed Outbound Tourists before Travelling (2015)



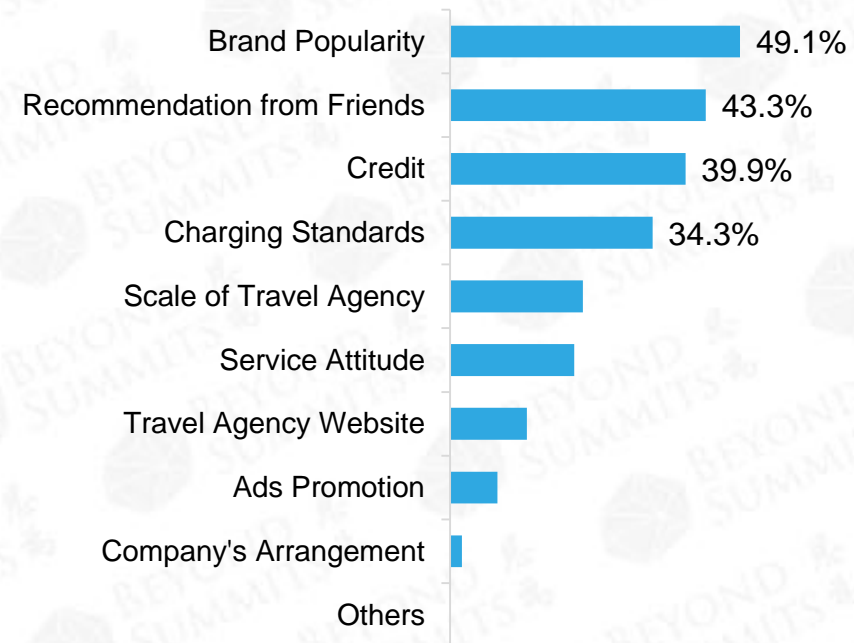
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Three main factors affecting interviewed outbound tourists' choices for travel routes were attraction of the destination, travel expense, and leisure environment. And when choosing travel agency, they will consider about brand popularity, recommendation from friends, and business credit. Thus, the cost efficiency was what tourists really care about, and the reliability of the travel agency was highly valued.

Factors Affecting Interviewed Outbound Tourists' Travel Routes (2015)



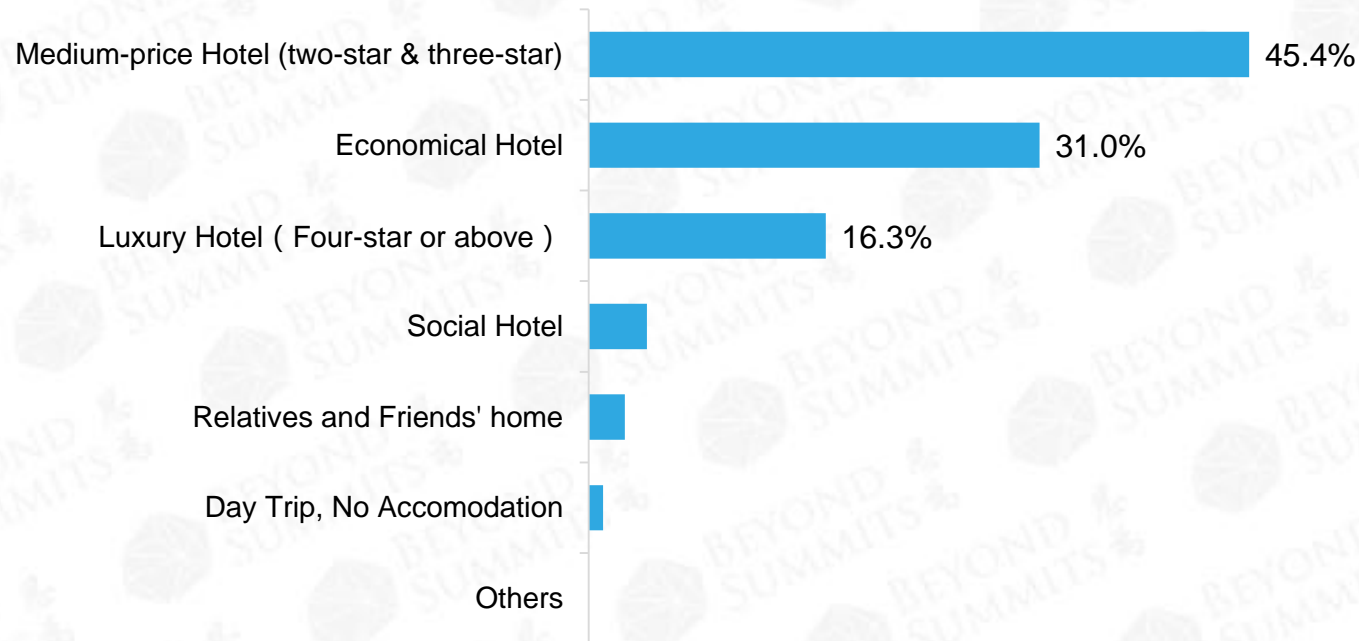
Factors Affecting the Interviewed Outbound Tourists' Choices for Travel Agency (2015)



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Interviewed outbound tourists preferred medium-price hotel and economical hotel, accounting for 45.4% and 31% respectively. In addition, the proportion of tourists who chose luxury hotel was more than 16%.

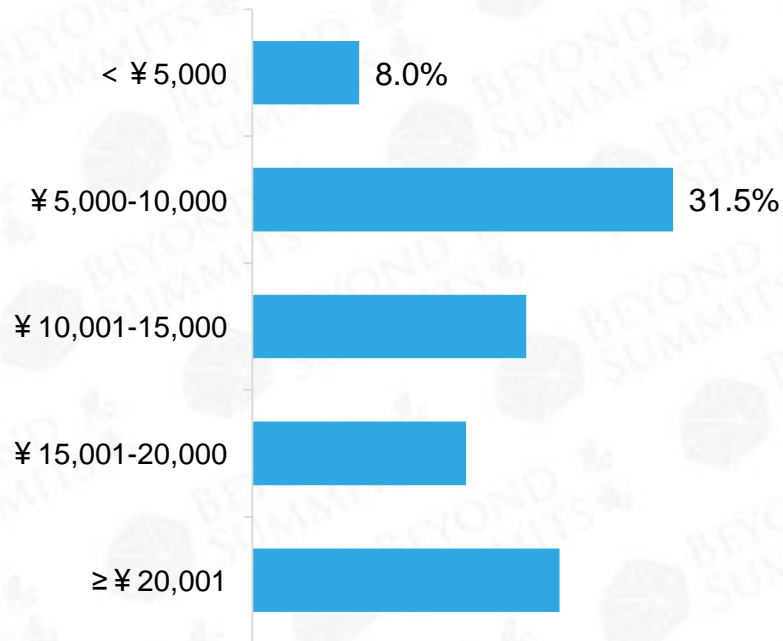
Interviewed Outbound Tourists' Accommodation Preference (2015)



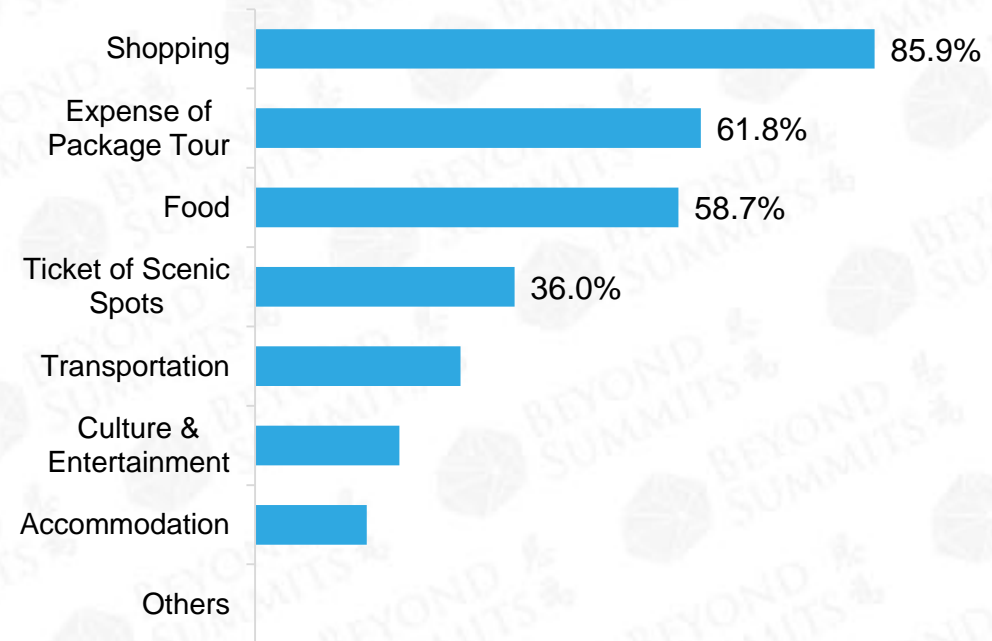
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

More than 30% of interviewed outbound tourists spent CNY5,000-10,000 for a single trip, occupying the largest share. 96% of the interviewed held the opinion that they spent most in shopping during the outbound travel, followed by expenses of package tour and food.

**Interviewed Outbound Tourists' Travel
Expense for a Tour in 2015**



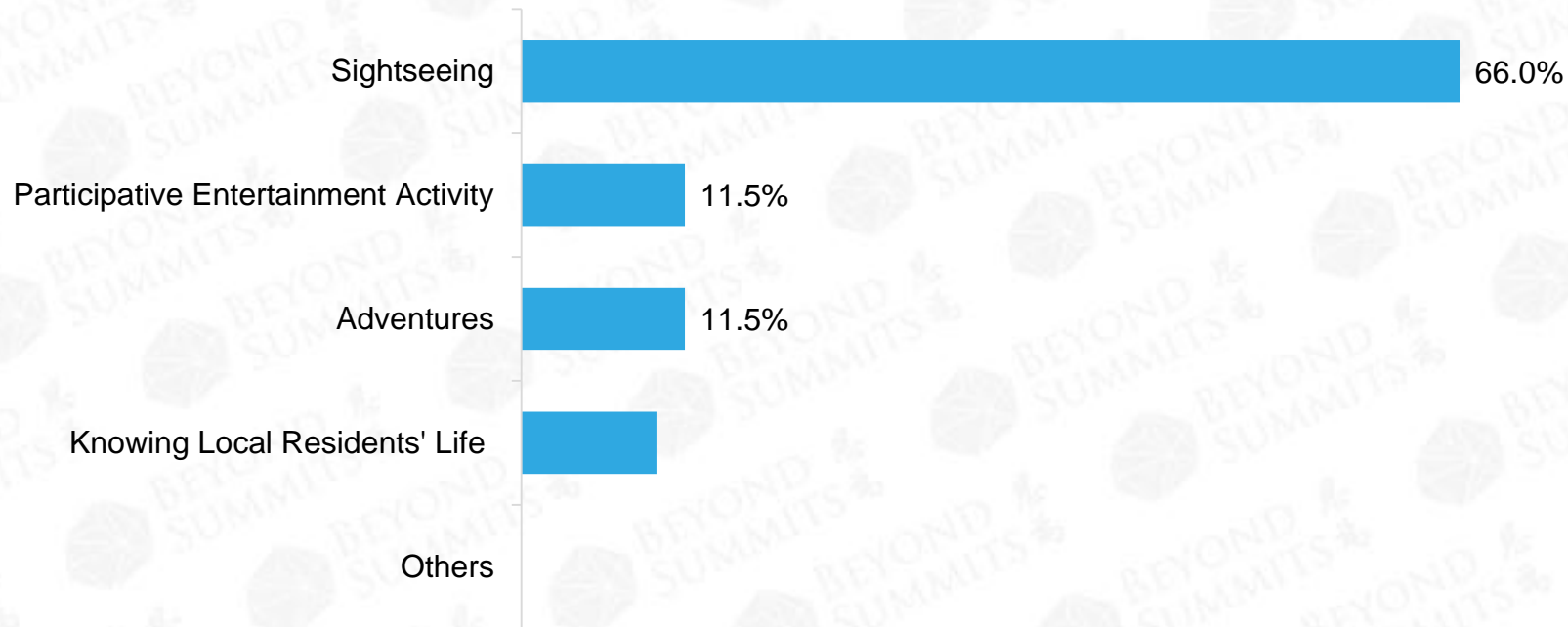
**Consuming Items for Interviewed Outbound
Tourists in 2015**



Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

66% of interviewed outbound tourists preferred to spend money in sightseeing, whose spend was higher than the other items.

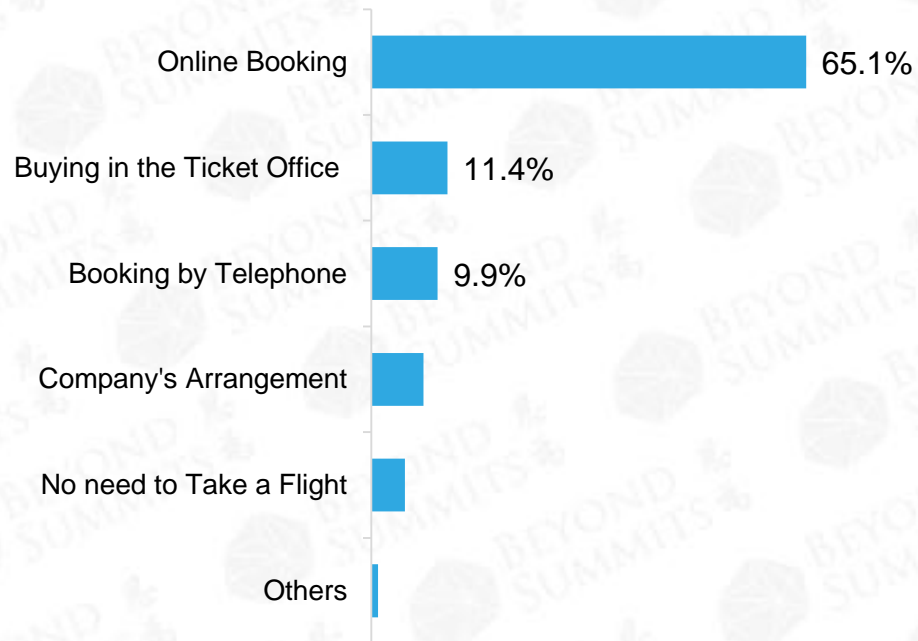
Items that Interviewed Outbound Tourists had Intention to Spend on in the Future



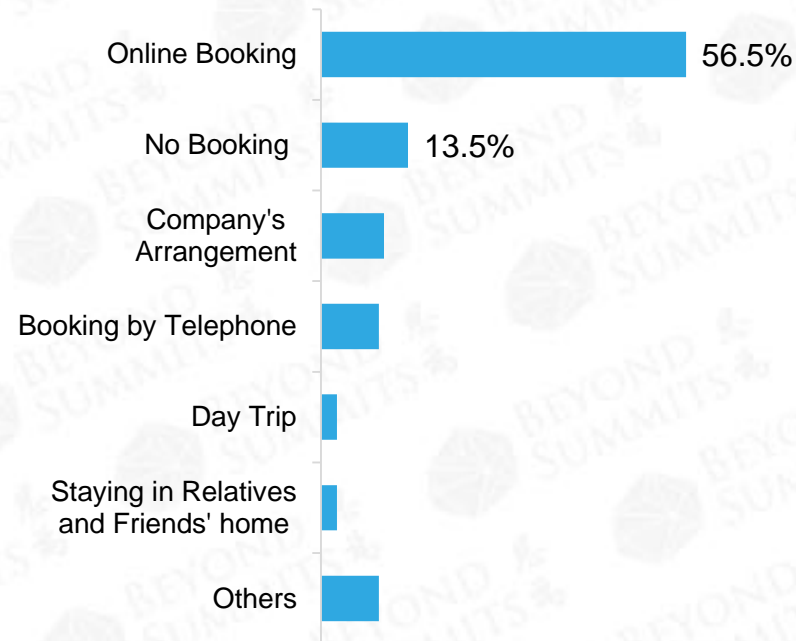
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Among all the self-guided travelers, more than 65% would book the flight via online channel and 56% reserved hotel rooms online. Thus, the proportion of online booking was much higher than other booking ways.

Flight Booking Channels for Self-guided Outbound Travelers (2015)



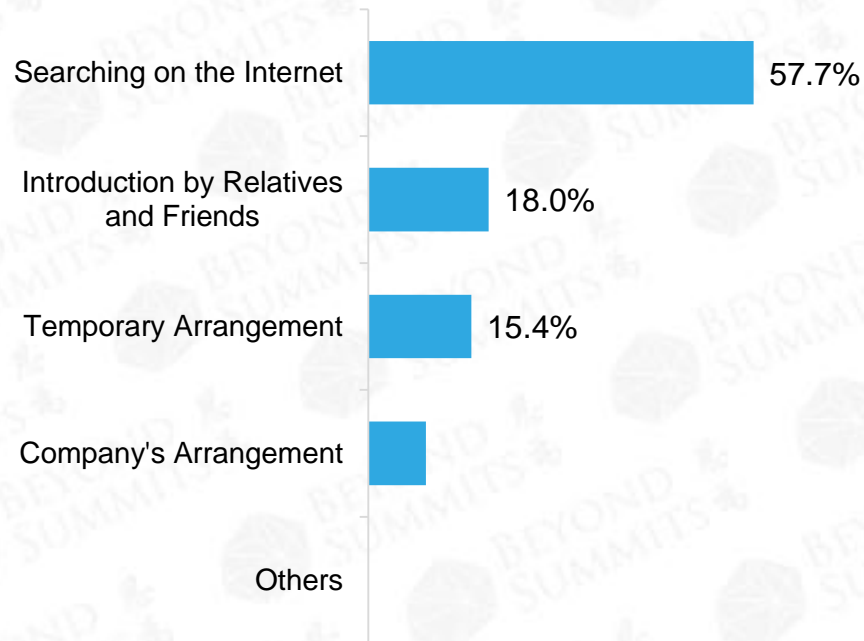
Hotel Booking Channels for Self-guided Outbound Travelers (2015)



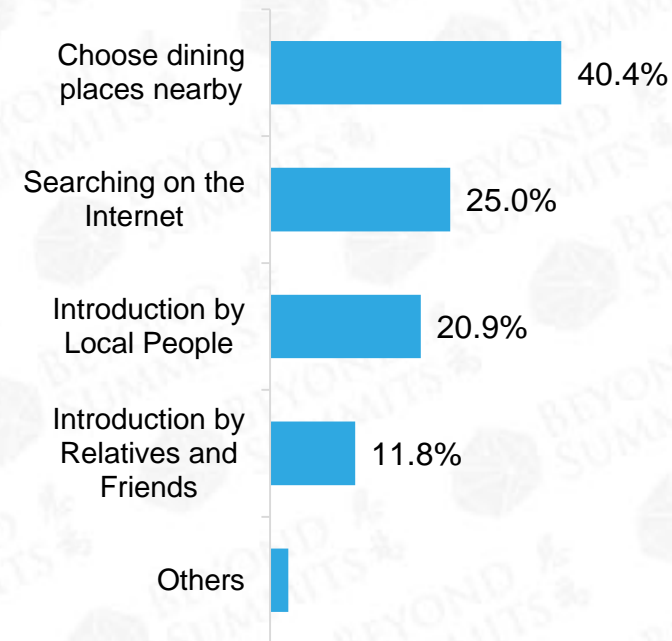
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

Nearly 58% of interviewed outbound tourists arranged routes via Internet, which was much higher than other tour guided channels. Moreover, 40% of self-guided travelers preferred to dine near the spot, and 25% were in favor of searching restaurants on the Internet.

How Self-guided Outbound Tourists Arrange Their Routes (2015)



How Self-guided Outbound Tourists Arrange Their Meals (2015)

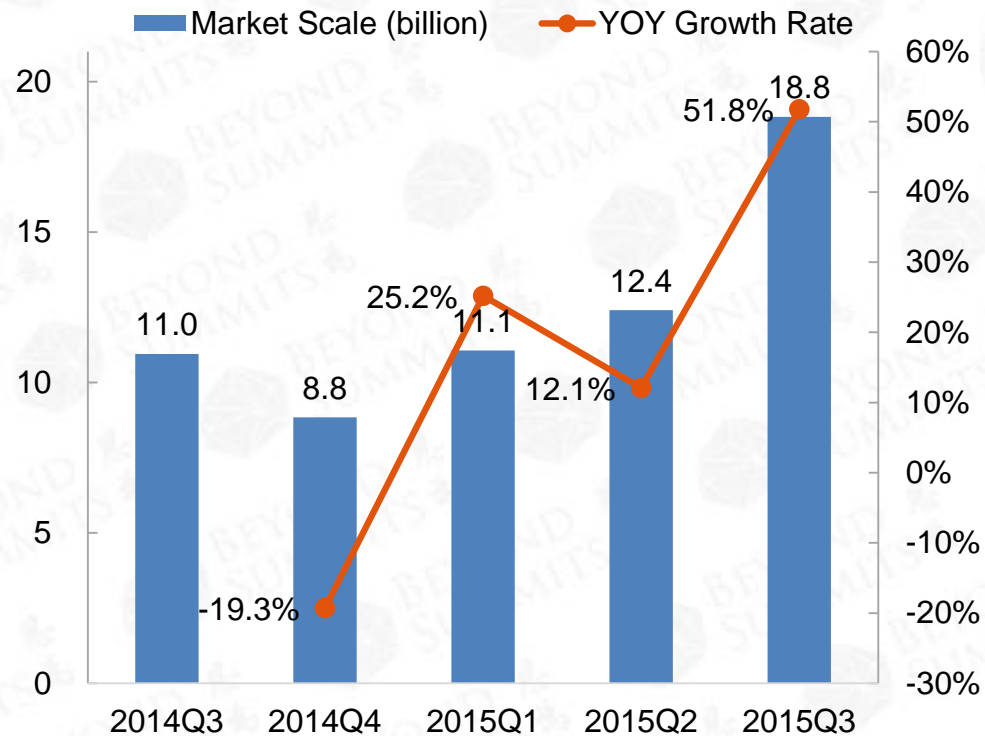


Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

2015 Chinese Self-guided Tour Worldwide

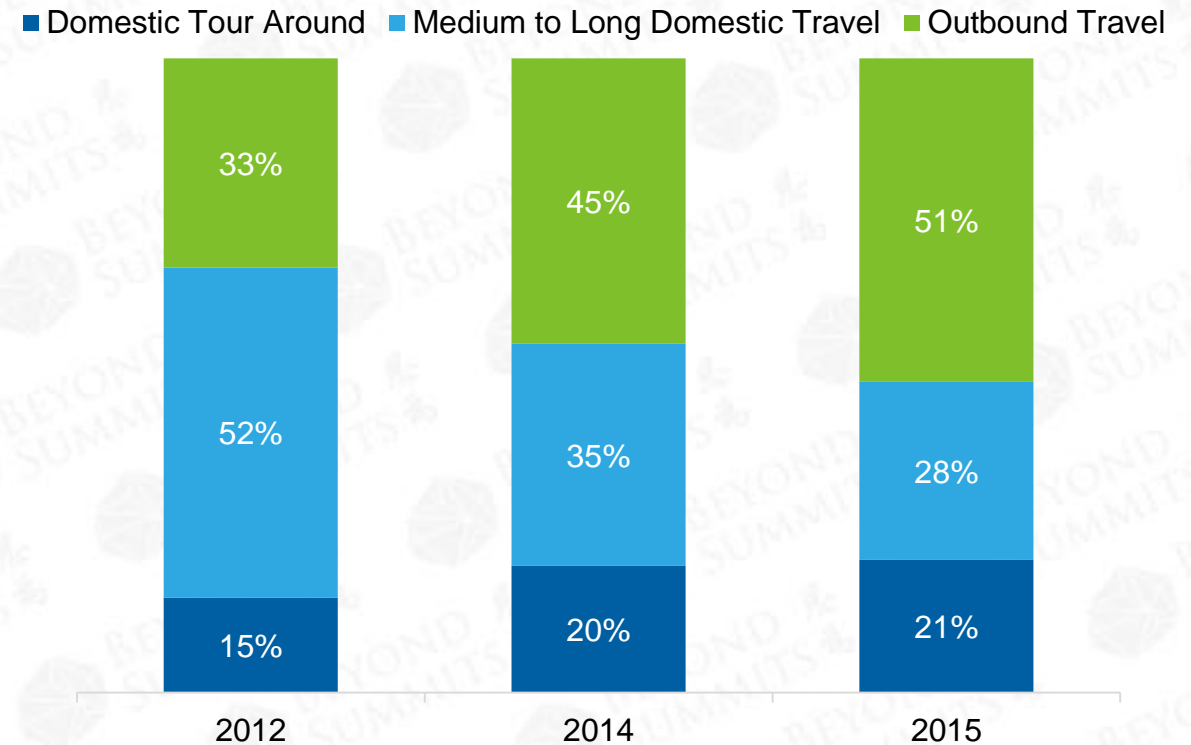
China's online vacation tourism market has grown rapidly. As of the third quarter of 2015, turnover of China's online vacation tourism market reached more than CNY18.8 billion in 2015, up by 51.8% compared with 2014.

China's Online Vacation Tourism Market Scale



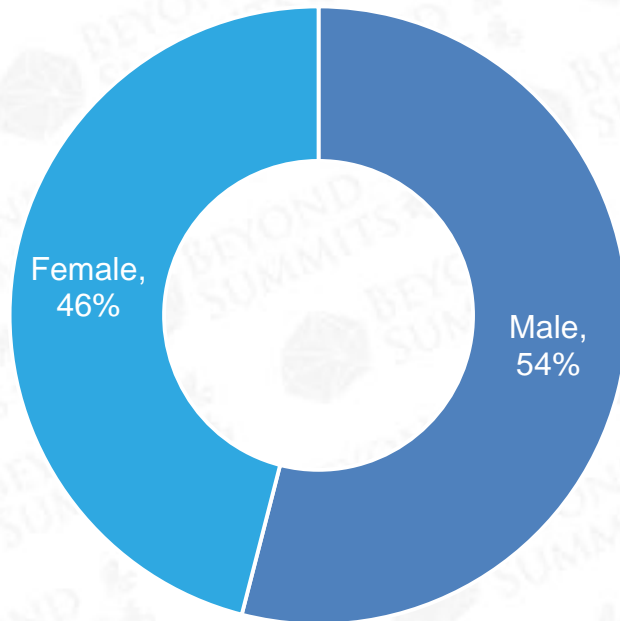
Source : Analysys

China's Online Vacation Tourism Market Structure

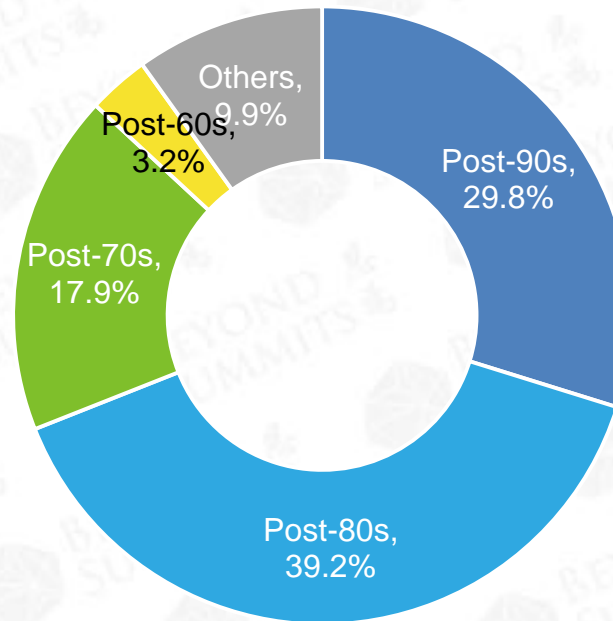


In 2015, among all online DIY-tour travelers who were interviewed, the share of male travelers was 8% higher than females. Post-80s accounted for the largest share at nearly 40%. Moreover, top 5 constellations of travelers' who were keen for DIY-tour were Virgo, Scorpio, Capricorn, Libra, and Sagittarius.

Online DIY-Tour Travelers' Gender (2015)



Online DIY-Tour Travelers' Age (2015)

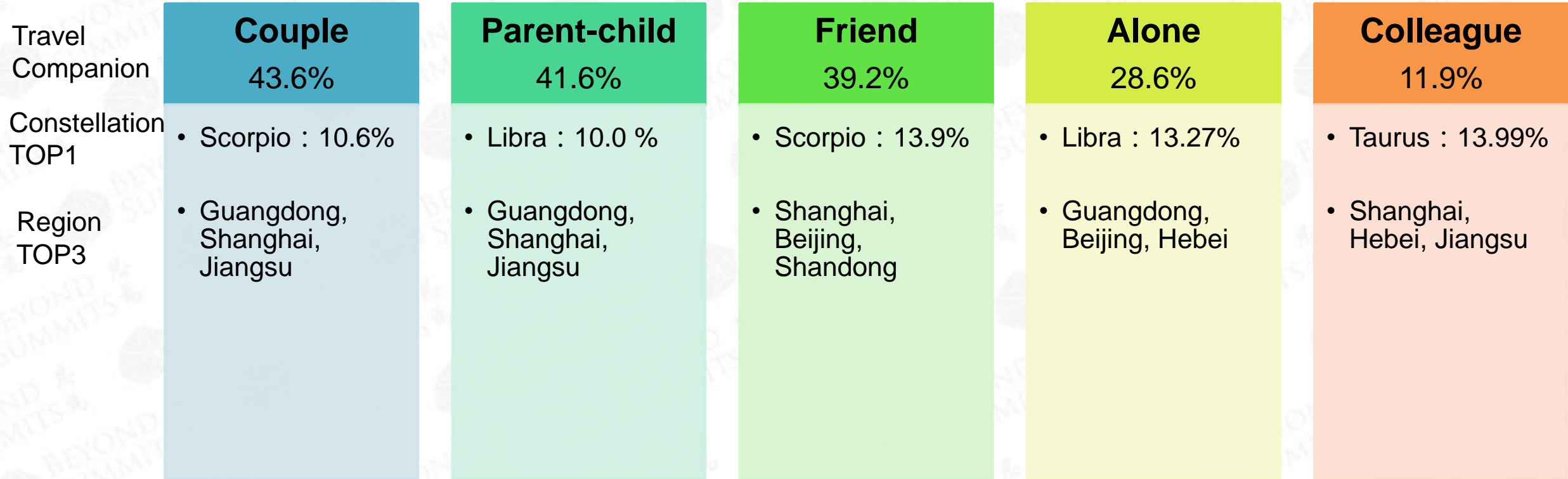


Top 5 Constellations of Online DIY-Tour Travelers (2015)



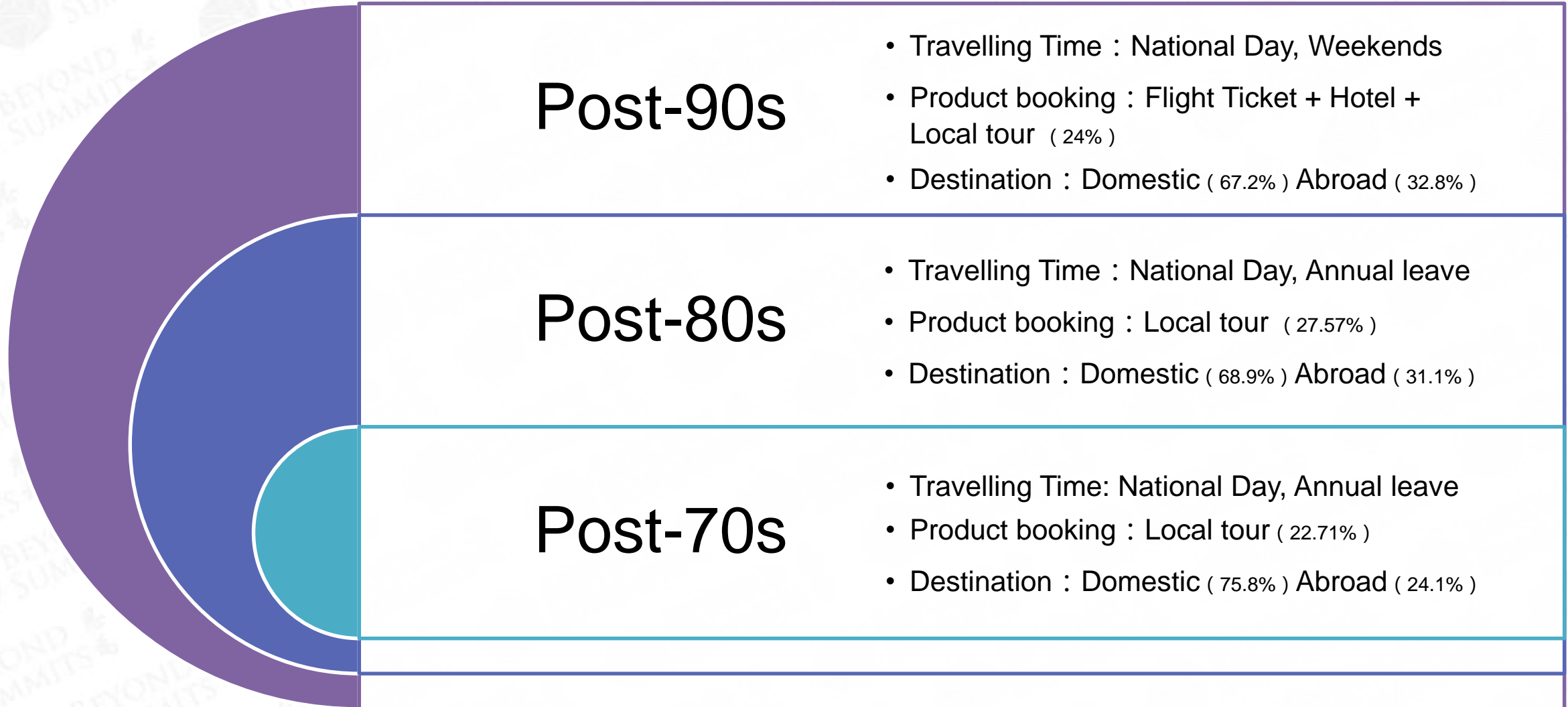
Source : Analysys

In 2015, the DIY-tour travelers preferred to go on a tour with lover, family and friends.



Source : Analysys

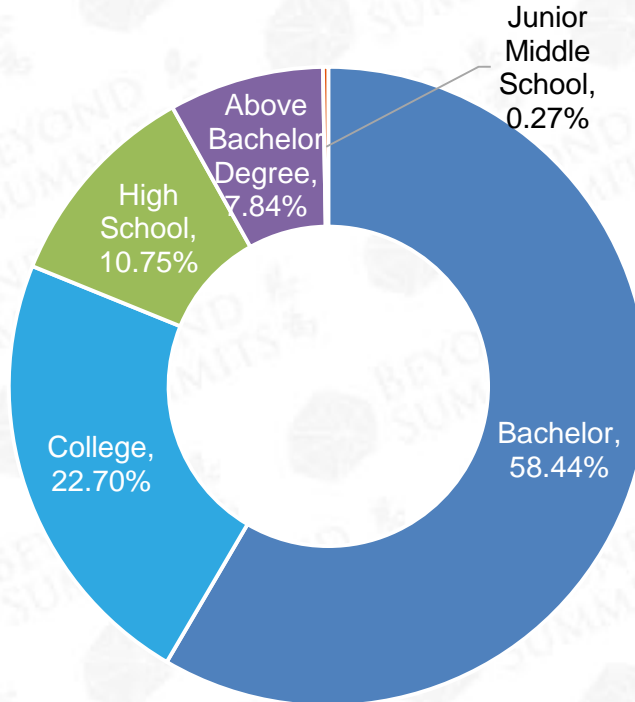
Preference of Online DIY-Tour Travelers(70-posts, 80-posts and 90-posts)



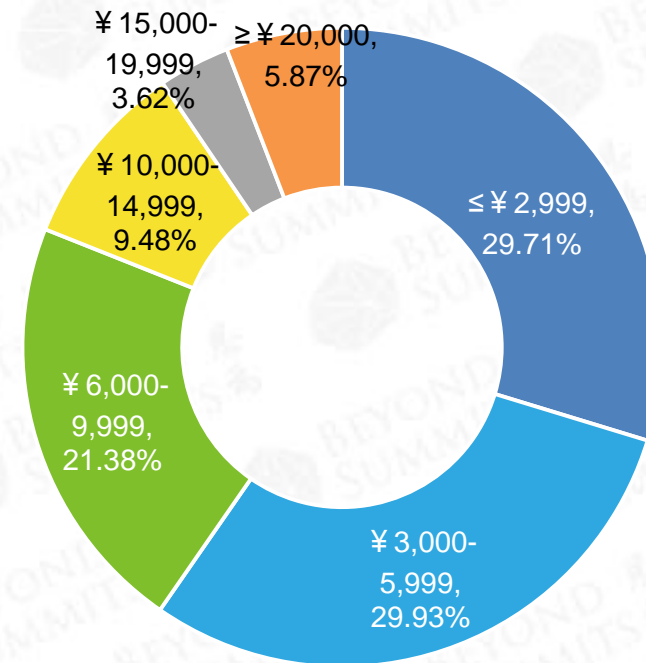
Source : Analysys

In 2015, among all online DIY-tour travelers who were interviewed, bachelor degree accounted for the largest share at 58.4%. Travelers with a monthly income of CNY3,000-5,999 made up the largest share at 29.9%. Though online DIY-tour travelers' education level was relatively high, their monthly income was at a medium-low income level.

Online DIY-Tour Travelers' Education Background (2015)

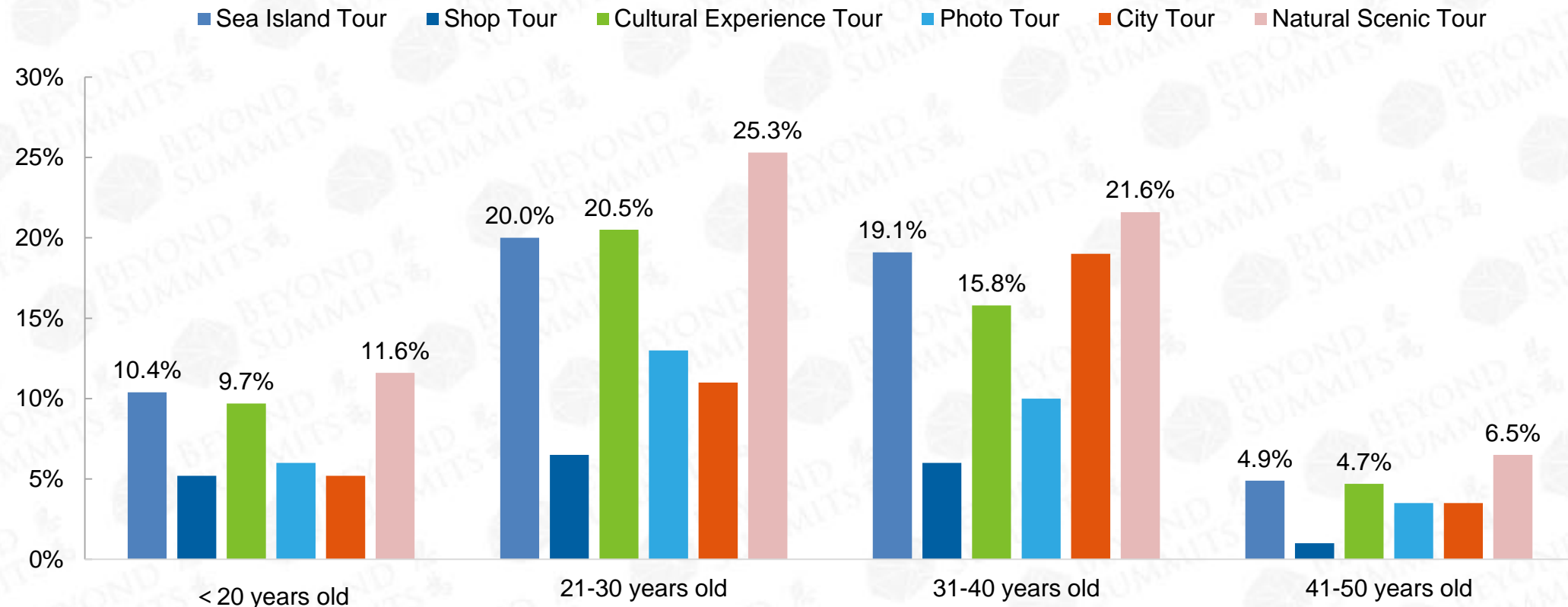


Online DIY-Tour Travelers' Monthly Income (2015)



67% of DIY-tour travelers preferred the natural scenery tour, and 56% of travelers were keen on sea island tour. Cultural experience tour was very popular among 21-30 years old travelers. Natural Scenic tour and sea island tour became travelers' first choices for its high travel standardization, clear routes, and the convenience of buying the tourism products.

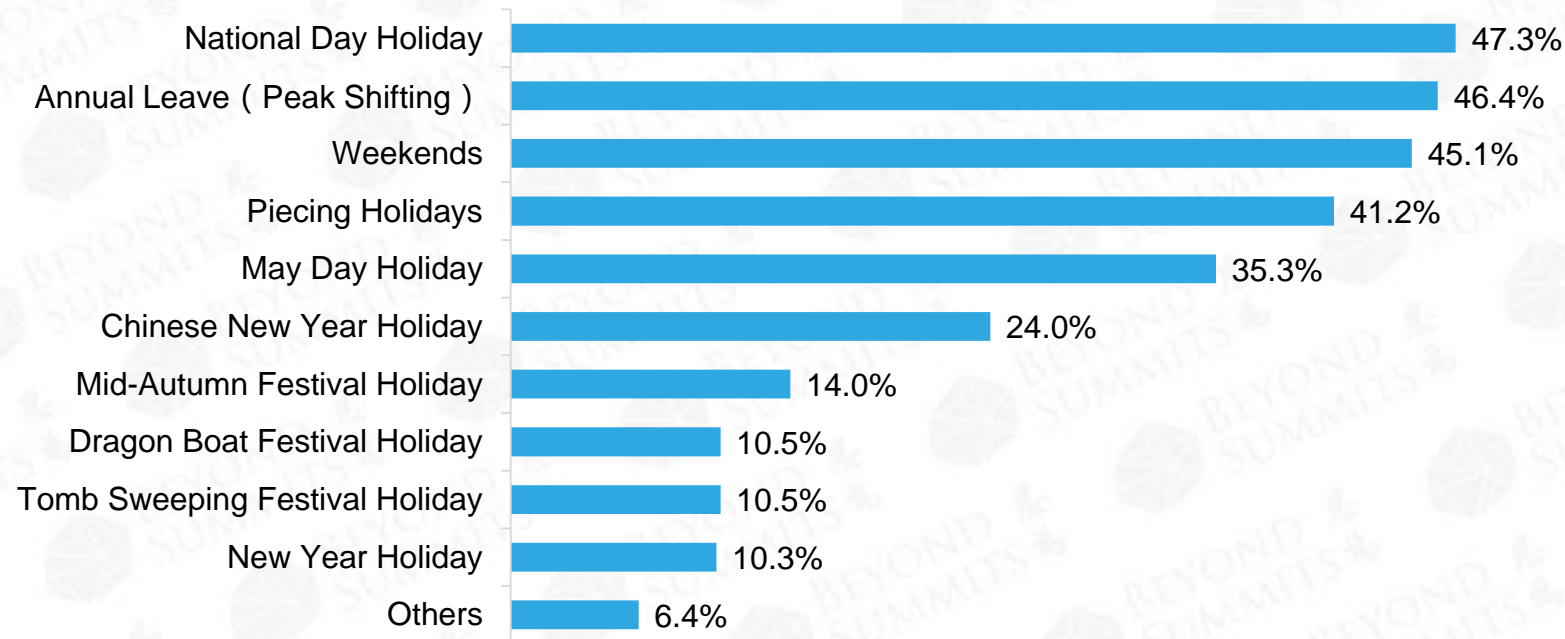
Travel Themes Picked by Online DIY-Tour Travelers (2015)



Source : Analysys

The proportions of DIY-tour travelers who chose National Day holiday and annual leave to go on the trip were both more than 45%. The length and the time of holiday were the main reasons for travelers to choose DIY-tour. It should be noted that peak shifting travel was also one of the choices for DIY-tour travelers.

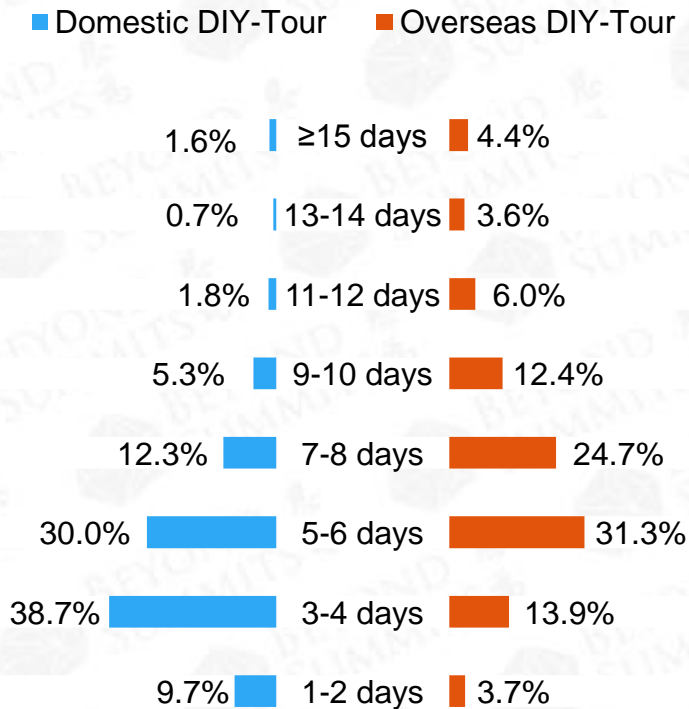
Online DIY-Tour Travelers' Travel Time (2015)



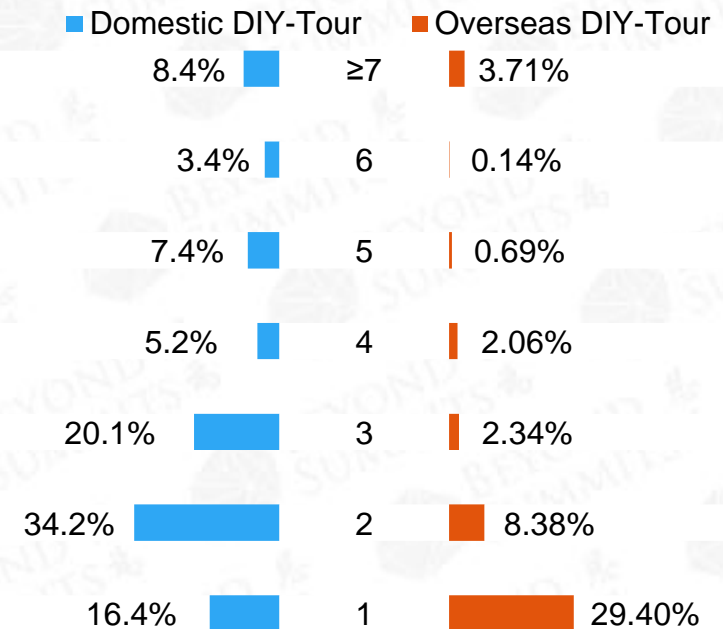
Source : Analysys

Travel time for domestic DIY-tour was shorter, and travelers who chose 3-4 days occupied 38.7%. Travel time for overseas DIY-Tour was longer, and more than 30% of travelers chose 5-6 days outbound trip. In 2015, online DIY-Tour travelers had an average of 3.15 times of travel, and multiple trips a year became the trend.

Online DIY-Tour Travelers' Travel Time (2015)

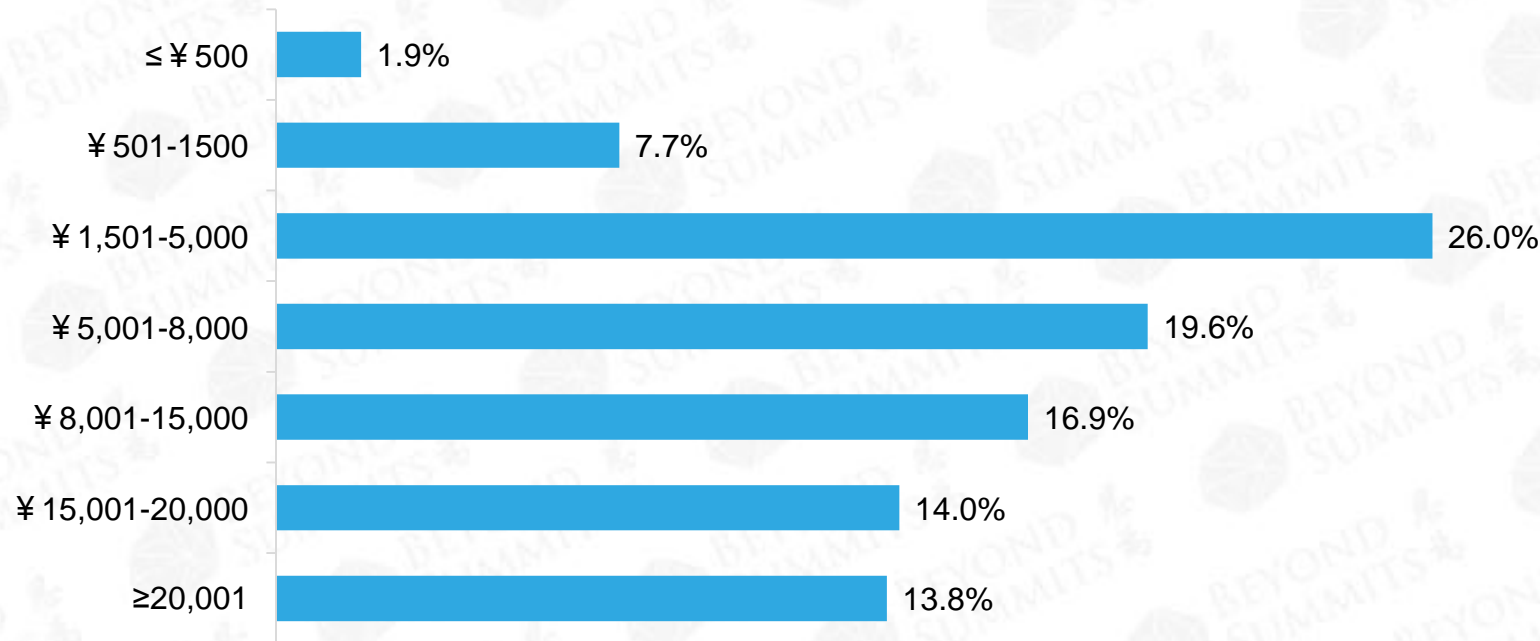


Online DIY-Tour Travelers' Travel Frequency (2015)



Online DIY-tour Travelers whose expenses were at CNY1,501-5,000 accounted for the largest proportion, and less than 10% of travelers' would spend below CNY1,500. Over 40% of travelers' had expenses of CNY8,000 or above. 80-posts and 90-posts were the main consumers of DIY-tour. 90-posts travelers' consumption ability was stronger than 80-posts.

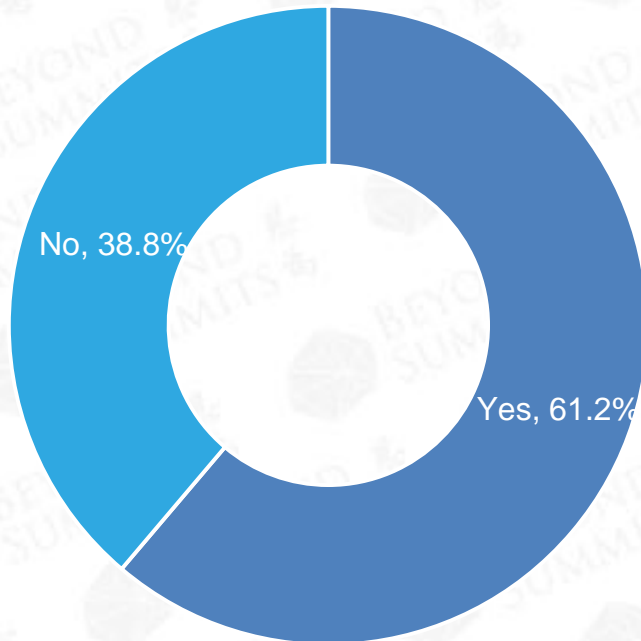
Online DIY-Tour Travelers' Expense (2015)



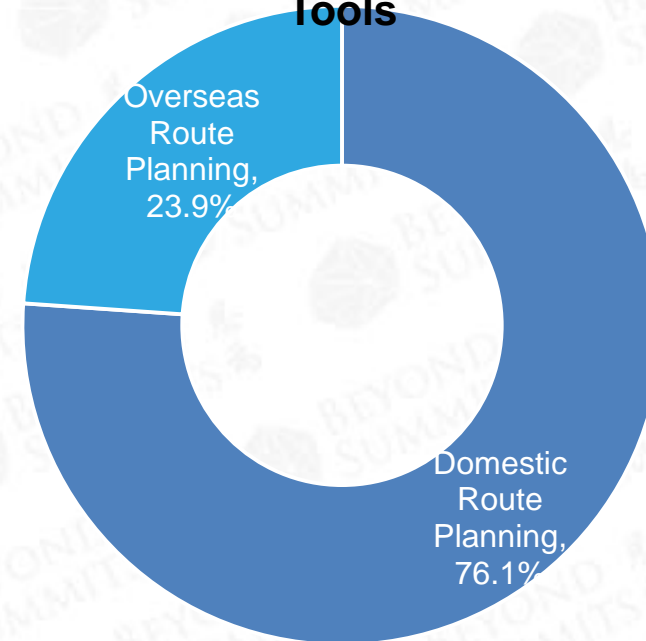
Source : Analysys

More than 60% of DIY-tour travelers would use trip planning tools, and they intended to choose domestic routes.

**Proportion of DIY-Tour Travelers
Using Route Planning Tools**



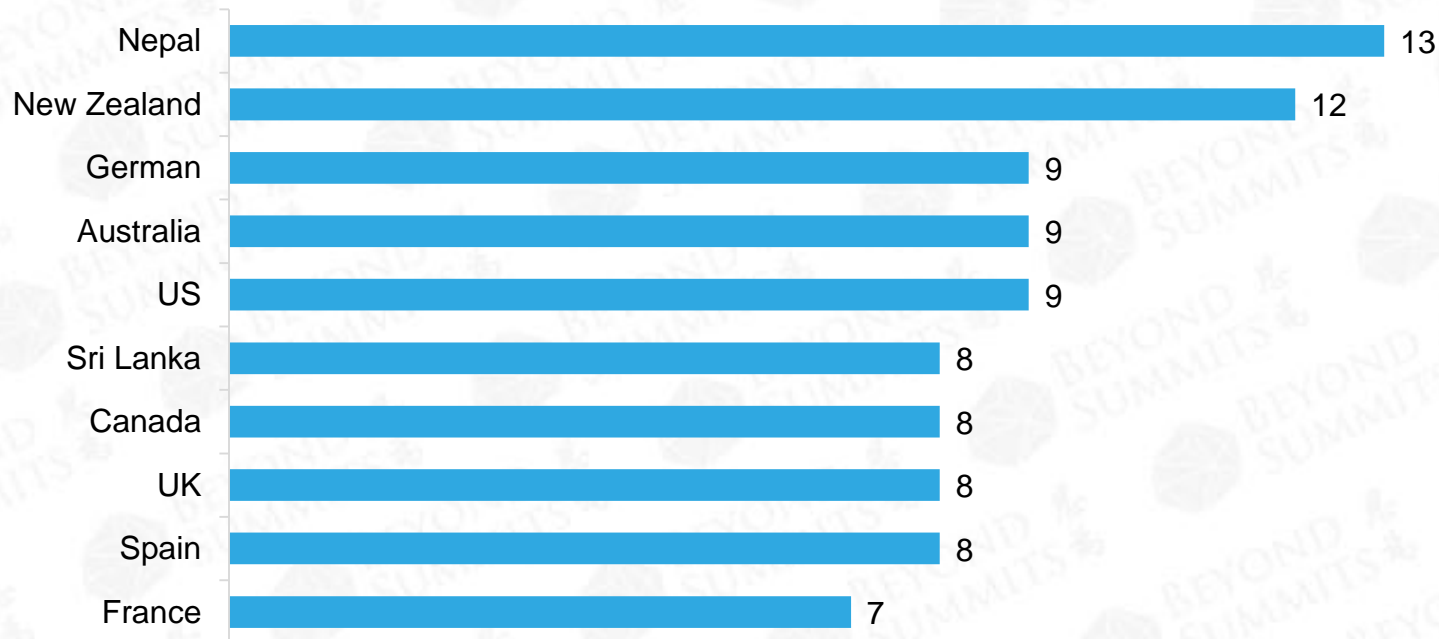
**Proportion of Overseas & Domestic
Routes Chosen by DIY-Tour
Travelers Using Route Planning
Tools**



Source : Analysys

In regard to the route planning for outbound travel, average time spending of travel arrangements for top 10 destinations was 9.1 days. Though Nepal and Sri Lanka are close to China, DIY-tour travelers needed to spend a lot of time to plan the route due to the destination's undeveloped tourism.

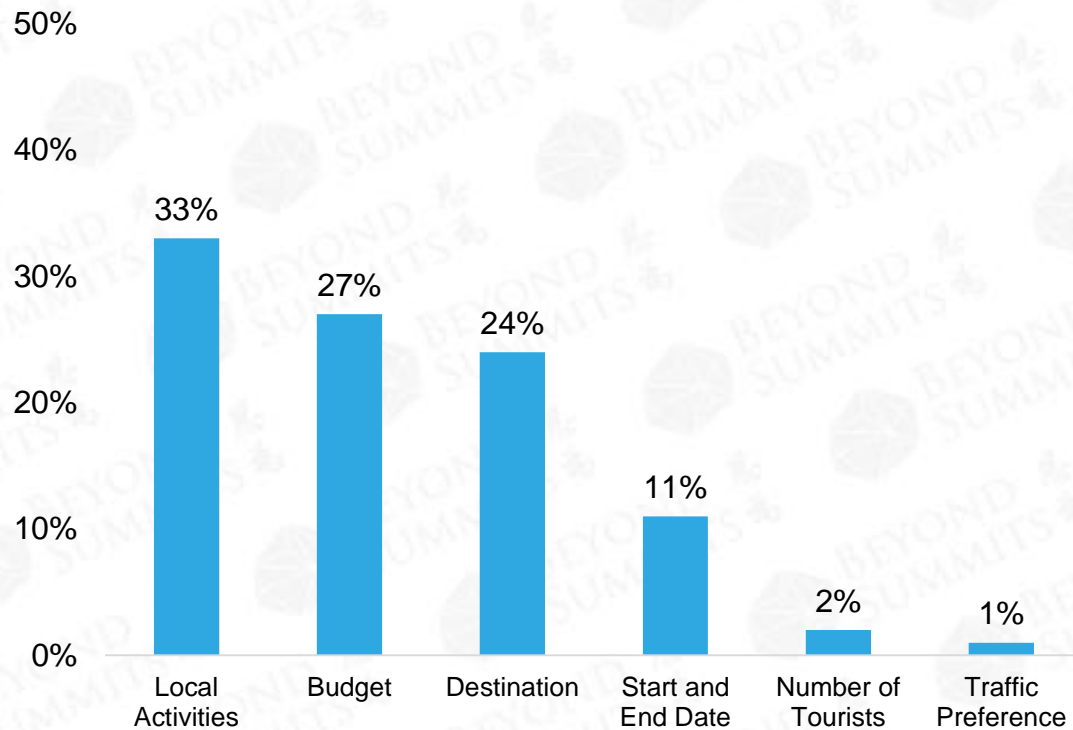
Route Planning Time for Traveling to Foreign Destinations in 2015 (day)



Source : Analysys

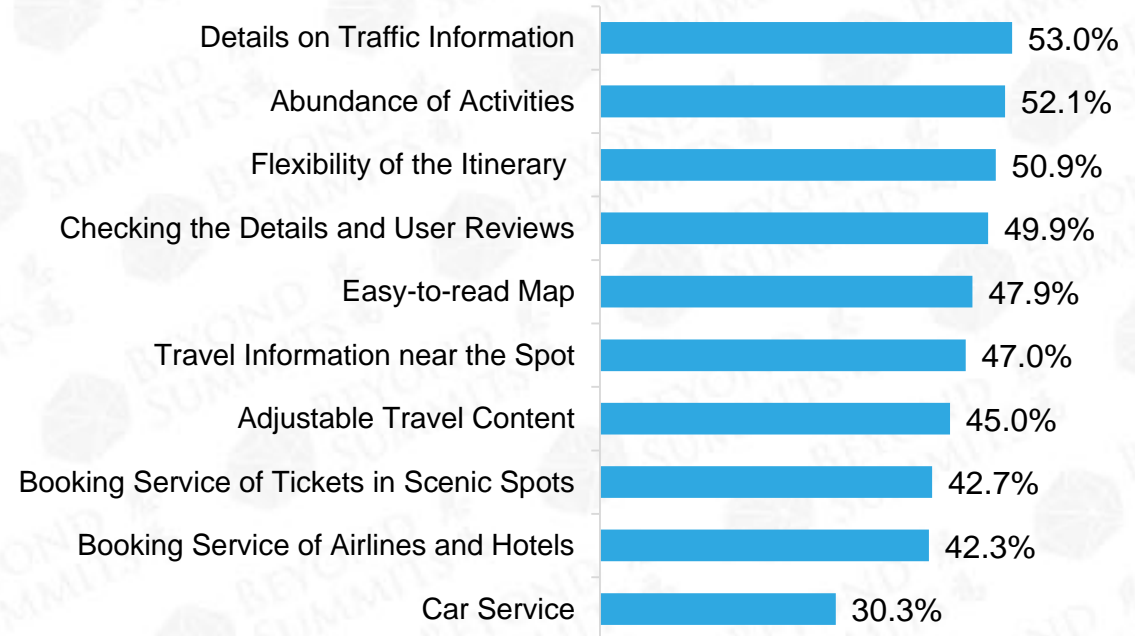
Local activities, budget and attractions were what DIY-tour travelers' concerned most. Moreover, they preferred to know the details on traffic information, local activities and flexible itineraries.

What Online DIY-Tour Travelers Care About in Route Planning (2015)



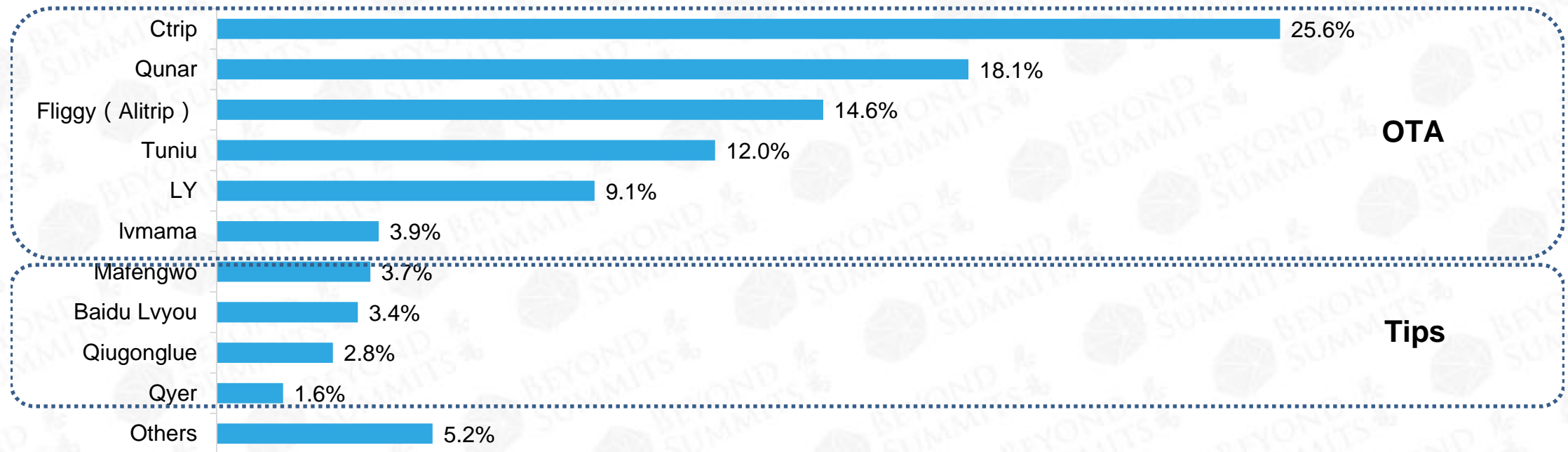
Source : Analysys

Online DIY-Tour Travelers' Demand in Route Planning (2015)



Online DIY-Tour travelers preferred OTA instead of travel guide platform to acquire travel information.

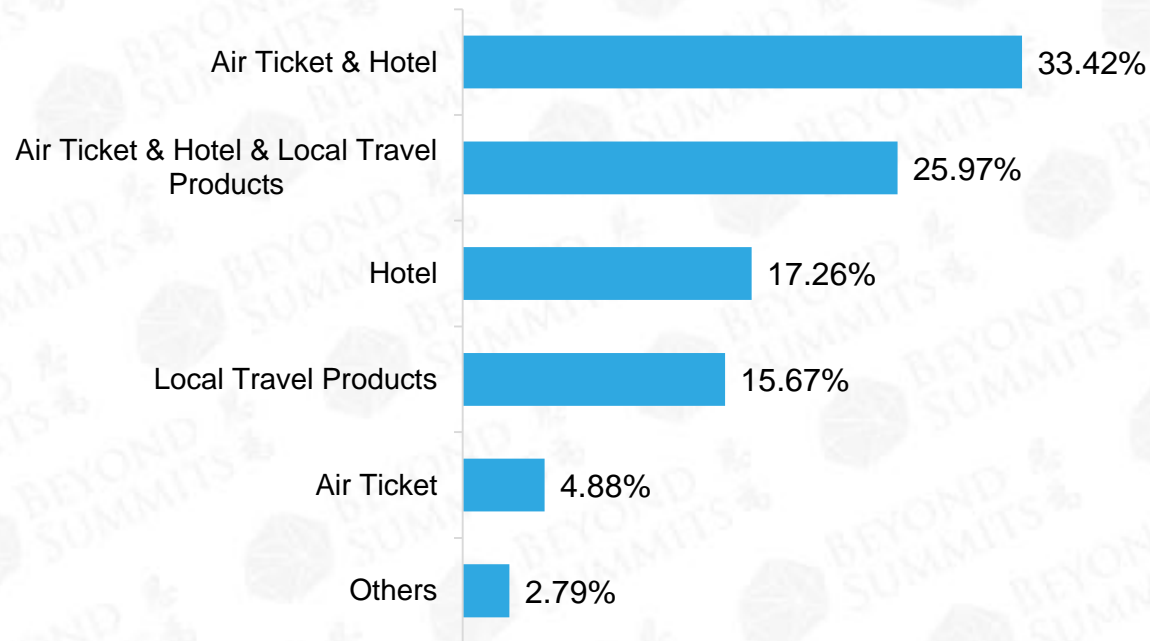
The Online Source of Travel Information for DIY-Tour Travelers in 2015



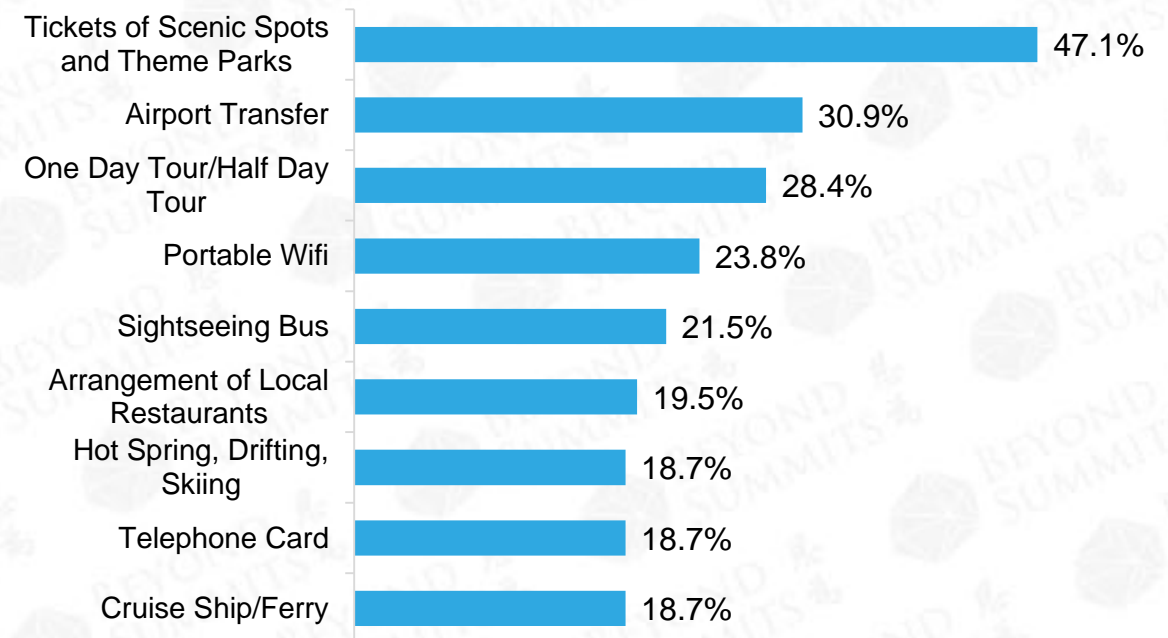
Source : Analysys

The package of air tickets + hotel was booked by most DIY-tour travelers, accounting for 33.42%. Moreover, near 25% of travelers booked not only flight tickets and hotel, but also local travel products. Outbound DIY-tour travelers were concerned most about tickets of scenic spots and theme parks, airport transfer.

Products Booked by Online DIY-Tour Travelers (2015)



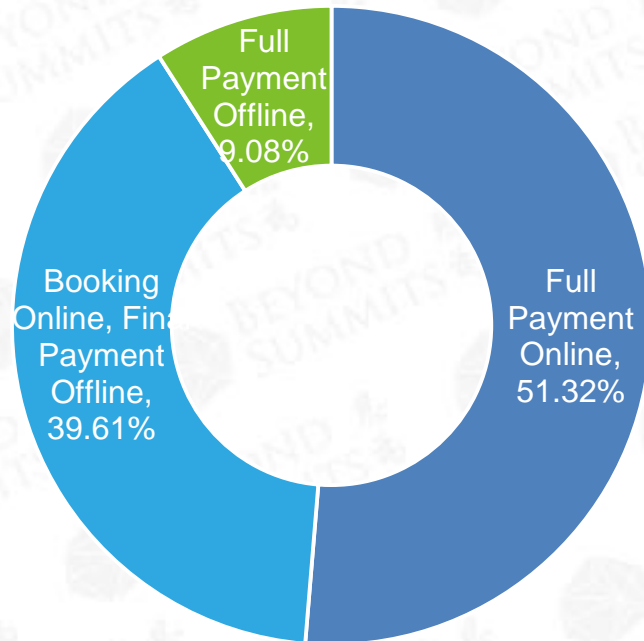
Tourism Products That Outbound DIY-Tour Travelers Were Interested in (2015)



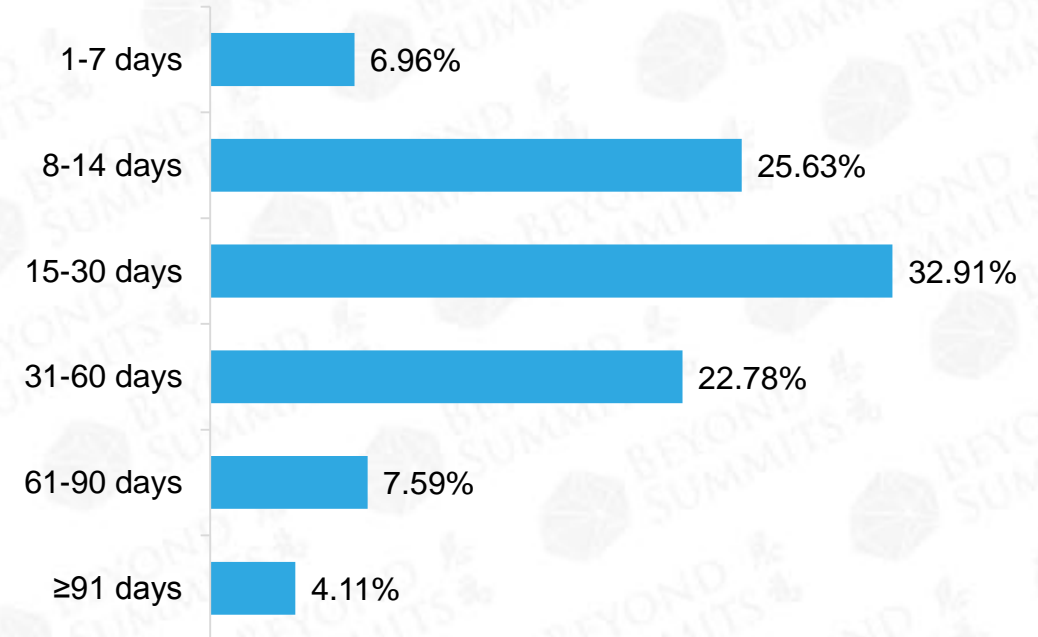
Source : Analysys

91% of DIY-tour travelers chose to book travel products online, which meant that online payment has been the trend. Moreover, about 33% of outbound DIY-tour travelers booked travel products 15-30 days ahead, making the highest proportion.

Online DIY-Tour Travelers' Booking Options for Travel Products (2015)



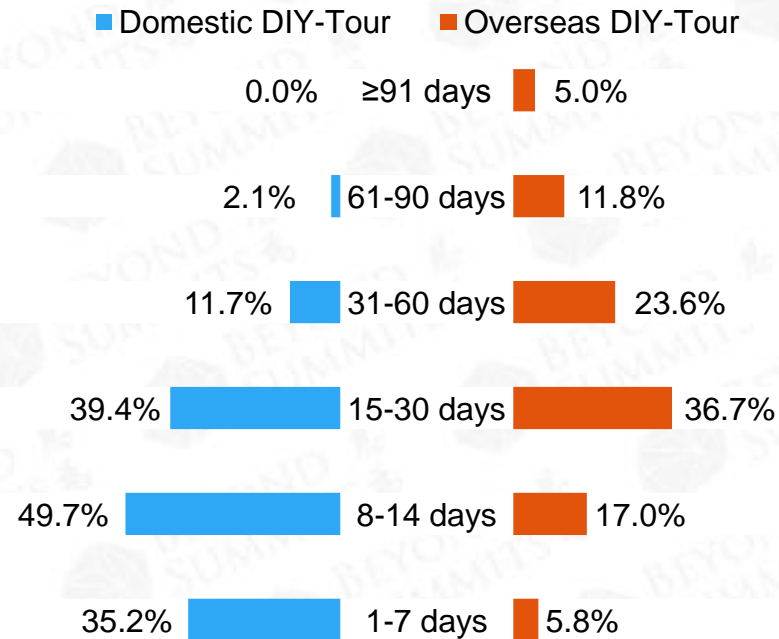
Number of Days in Advance to Book Local Travel Products for Outbound DIY-Tour Travelers (2015)



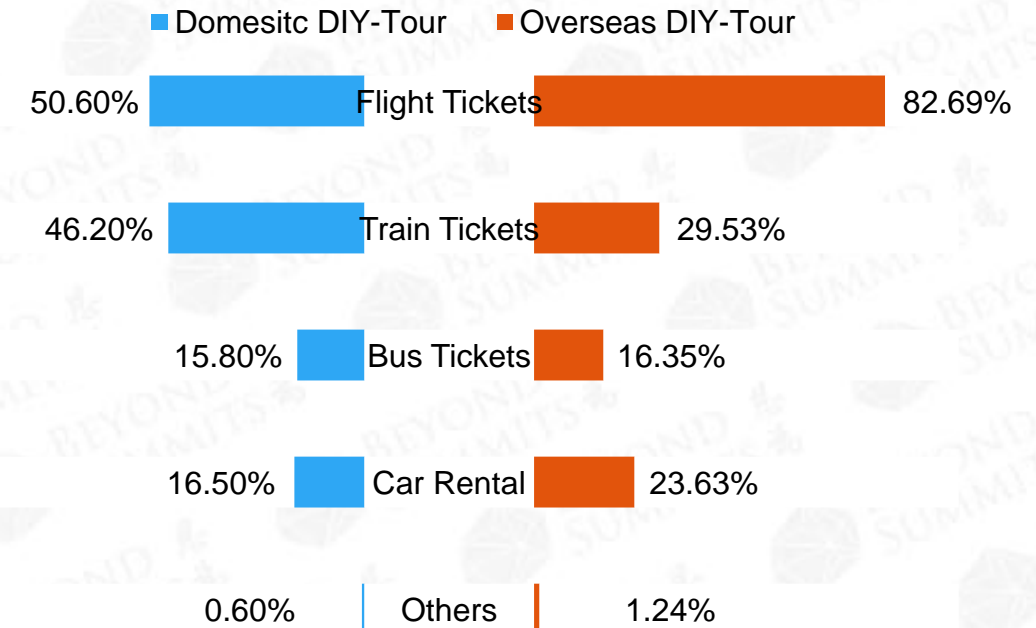
Source : Analysys

More than 40% of outbound DIY-tour travelers booked traffic products 15-30 days ahead. In addition, 82.69% of the traffic products were flight tickers, which had a higher proportion than train tickets, bus tickets, and bus tickets.

Number of Days in Advance to Book Traffic Products for Outbound DIY-Tour Travelers (2015)

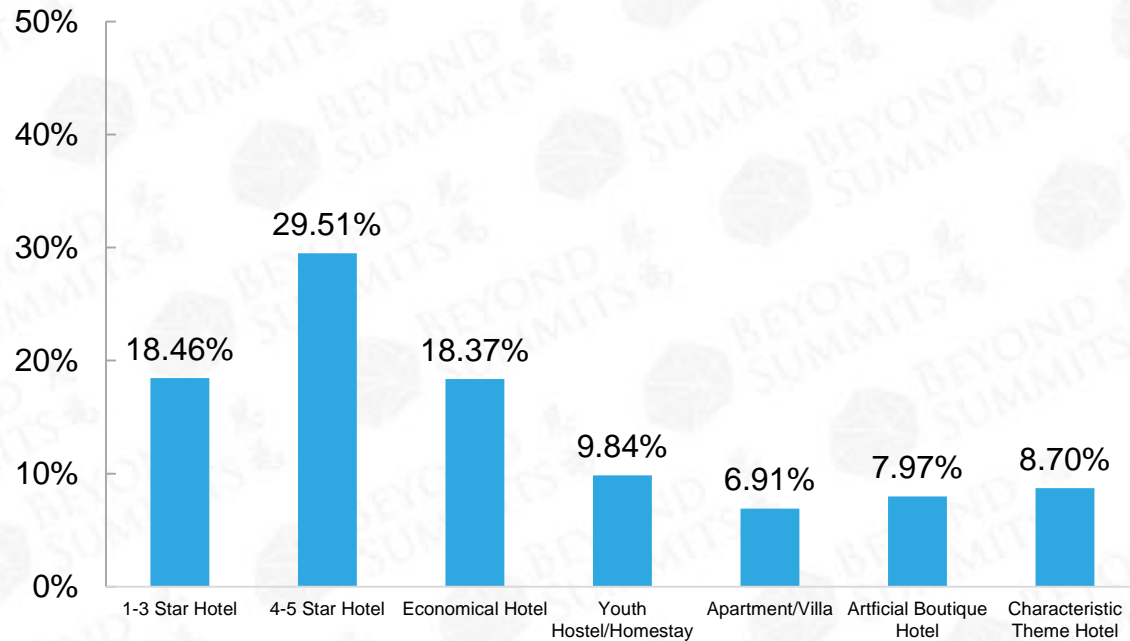


Traffic Products Booked by Online DIY-Tour Travelers (2015)

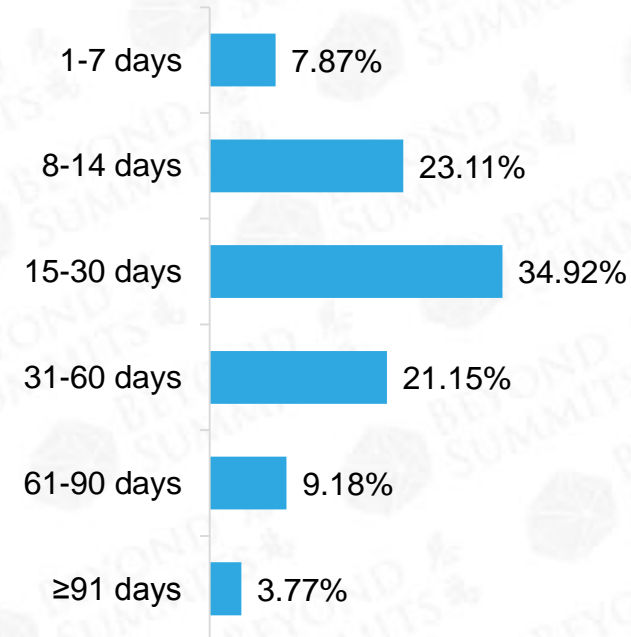


Near 30% of outbound DIY-Tour travelers chose four-five star hotels abroad, accounting for the highest proportion. In addition, 34.92% of outbound DIY-tour travelers booked accommodation 15-30 days ahead.

Type of Accommodation Booked by Outbound DIY-Tour Travelers (2015)



Number of Days in Advance to Book Accommodation for Outbound DIY-Tour Travelers(2015)



Source : Analysys

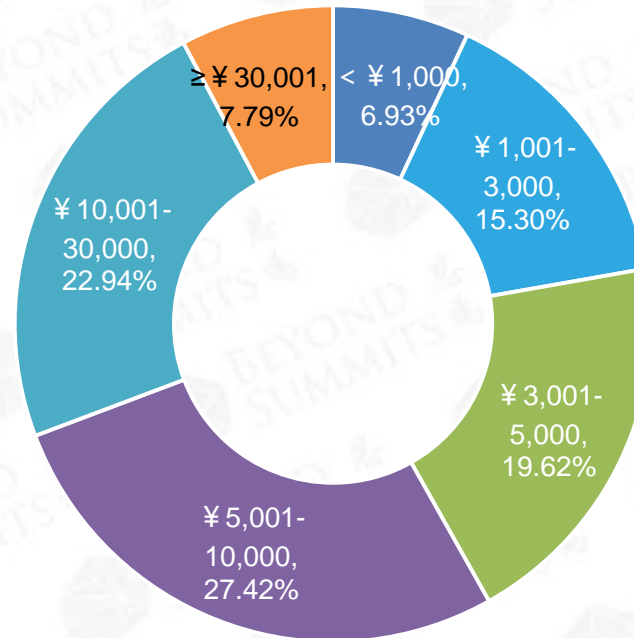
Top 3 shopping destinations were Hong Kong, Japan and South Korea for outbound DIY-tour travelers. 27.42% of travelers had expense of CNY5,000-10,000. Moreover, shoppers who used Union Pay credit card and VISA accounted for the largest share.

Top 10 Shopping Destination for Outbound DIY-Tour Travelers (2015)

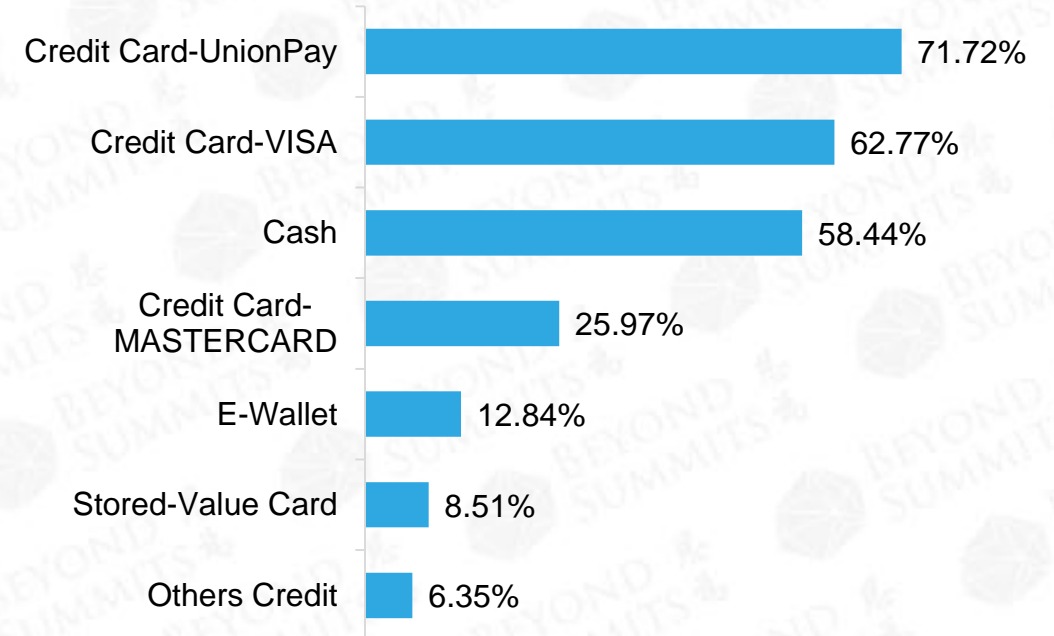
Top 10 Shopping Paradise	
1	Hong Kong
2	Japan
3	South Korea
4	US
5	Thailand
6	Taiwan
7	France
8	Singapore
9	Macao
10	Australia

Source : Analysys

Outbound DIY-Tour Travelers' Shopping Expenditure (2015)

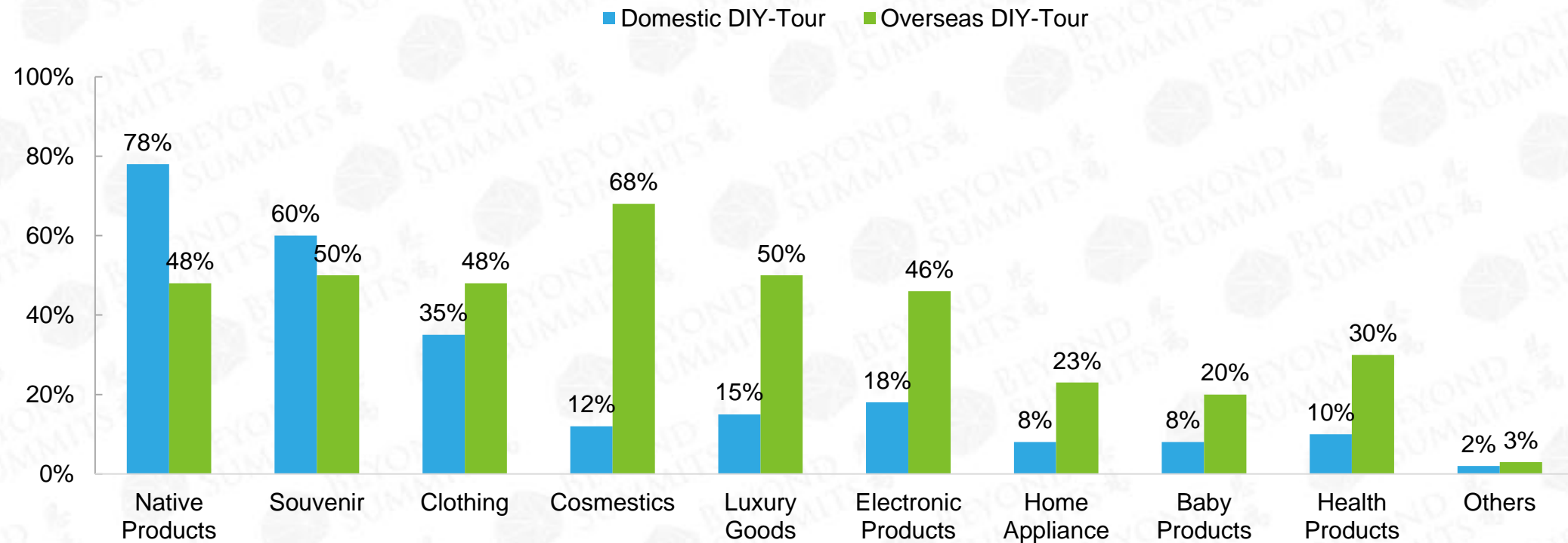


Consumption habit of Outbound DIY-Tour Travelers (2015)



Generally, DIY-tour travelers tended to have more shopping expenses overseas than in domestic malls except for local specialties and souvenirs. Their overseas expenditure were especially contributed to cosmetics, luxury goods, and electronic products.

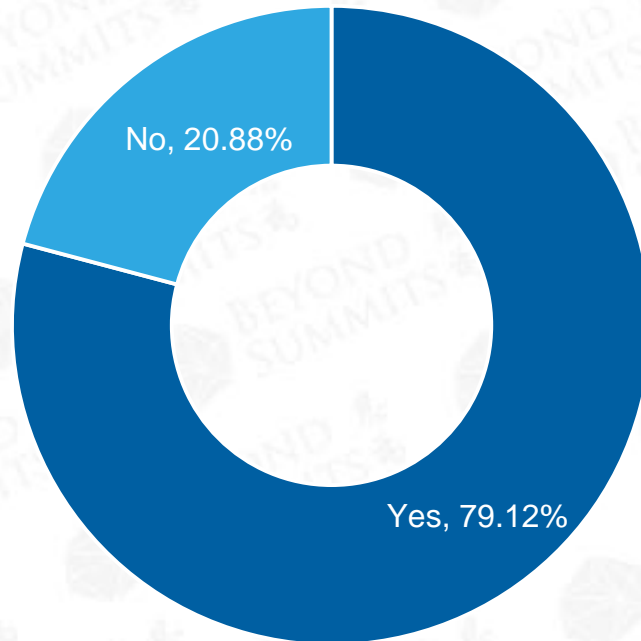
DIY-Tour Travelers' Shopping Preference (2015)



Source : Analysys

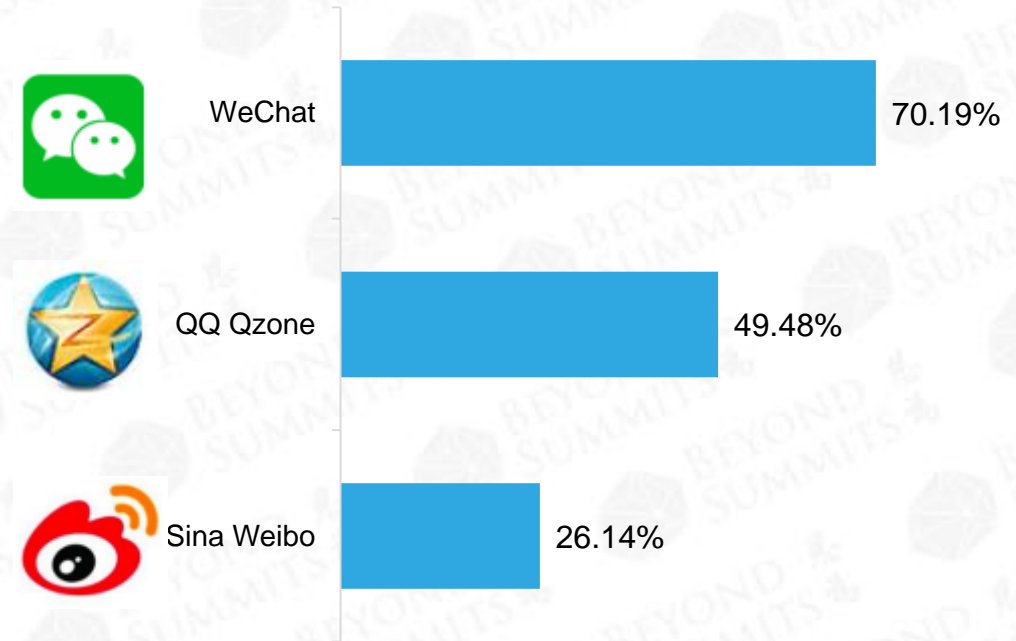
Nearly 80% of DIY-tour travelers would share travel experience after the trip. Among all the social media platforms, WeChat was the most popular one to share travel moments.

Whether Online DIY-Tour Travelers Shared Experience or not after the Trip (2015)



Source : Analysys

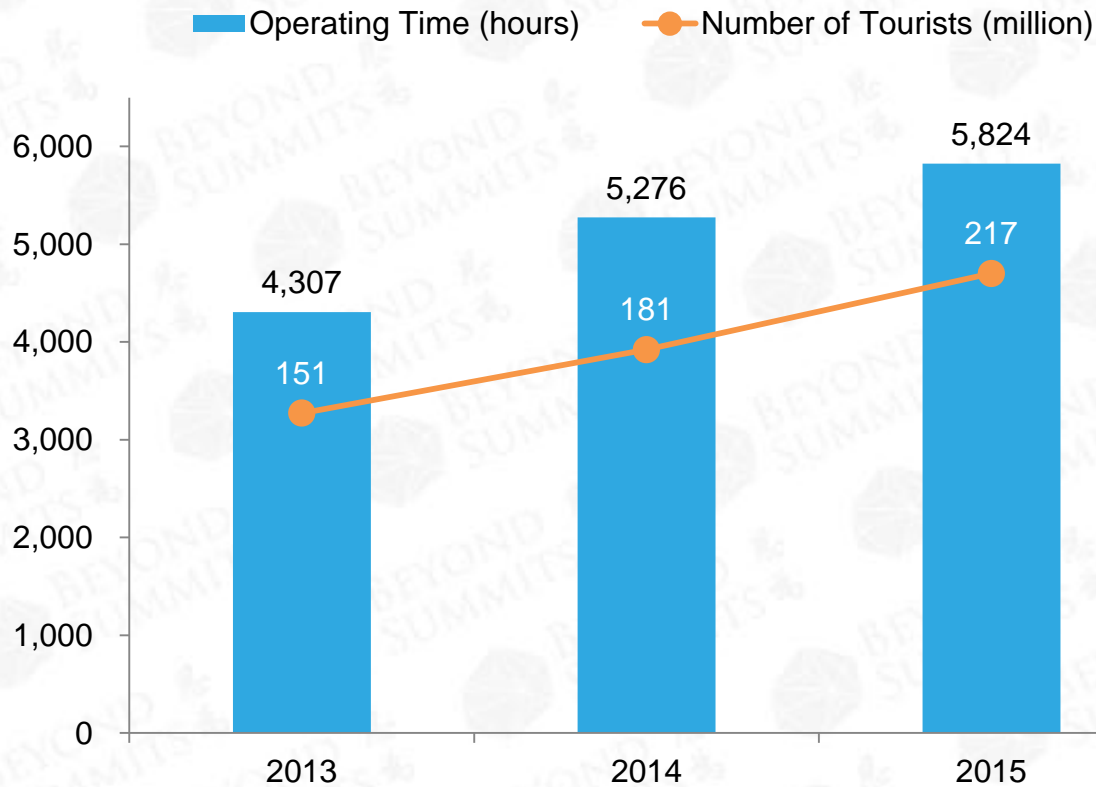
Social Media Chosen by Online DIY-Tour Travelers to Share Experience (2015)



2015 China Cruise Travel

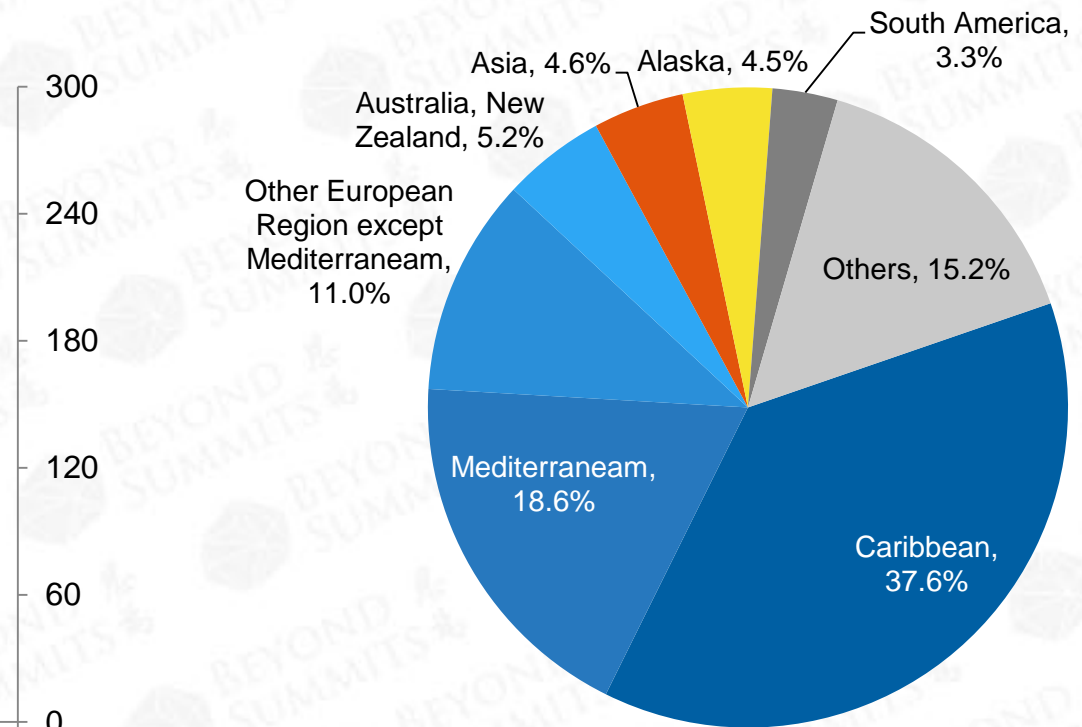
Global cruise market scale and cruise time have increased steadily from 2013 to 2015. Asia took the fifth largest share of the market at 4.6% with great potential growing space.

Basic Situation of Global Cruise Market



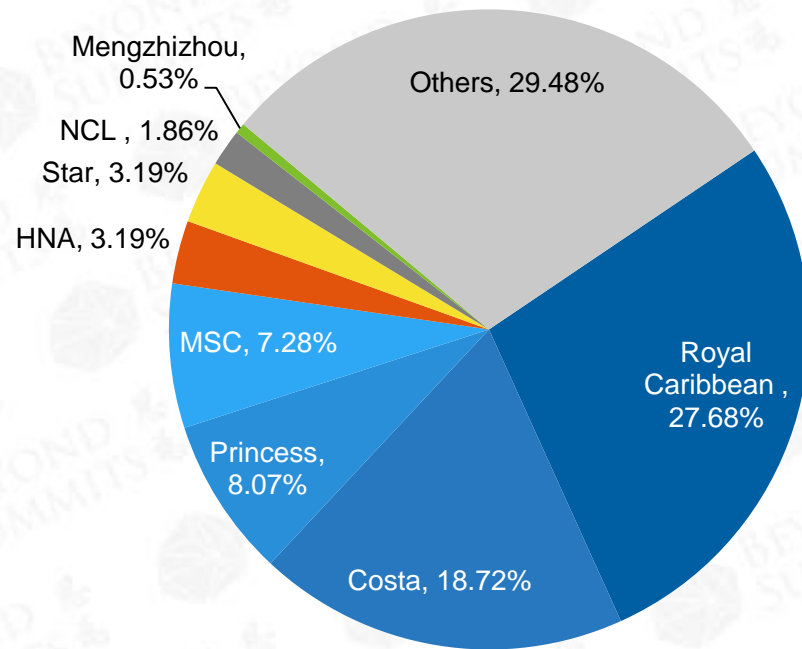
Source : Analysys

Share of Global Cruise Market (2015)

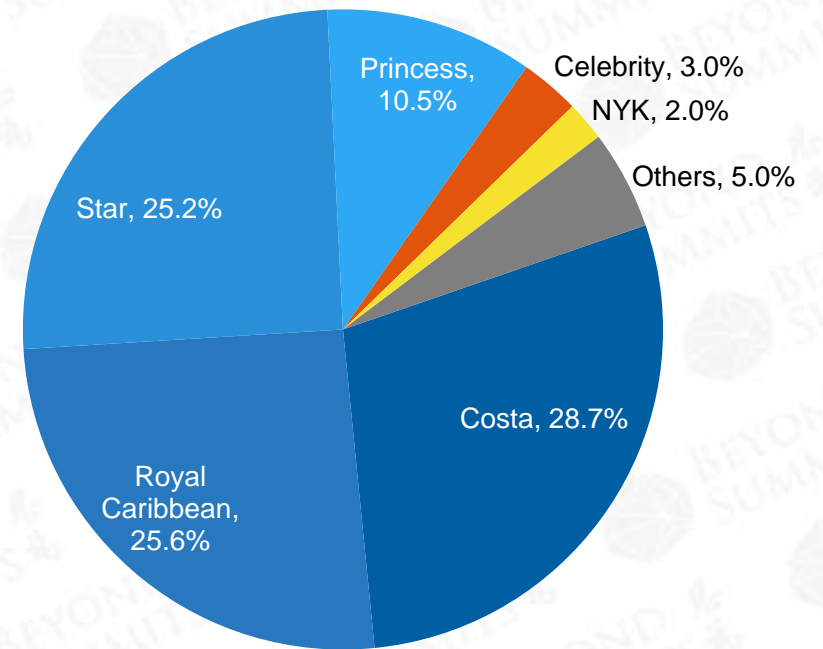


Royal Caribbean Cruise and Costa Cruise had dominated the Asian cruise market, which belonged to Royal Caribbean International and Carnival Cruise.

Asia Cruise Market (2015)



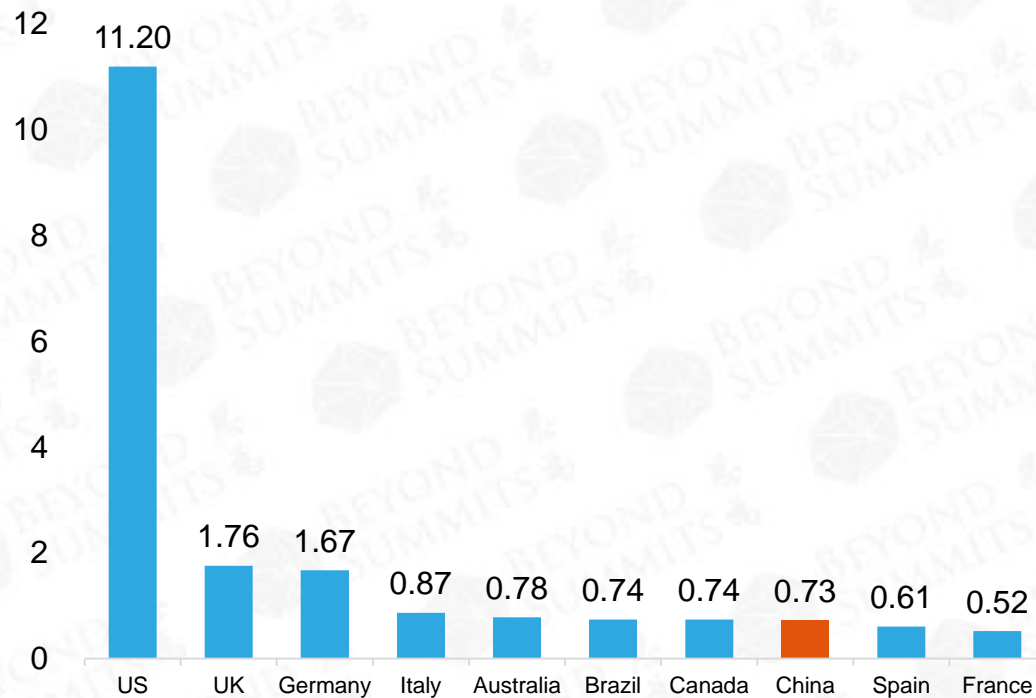
Transport Capacity in Asia Cruise Market (2015)



Source : Analysys

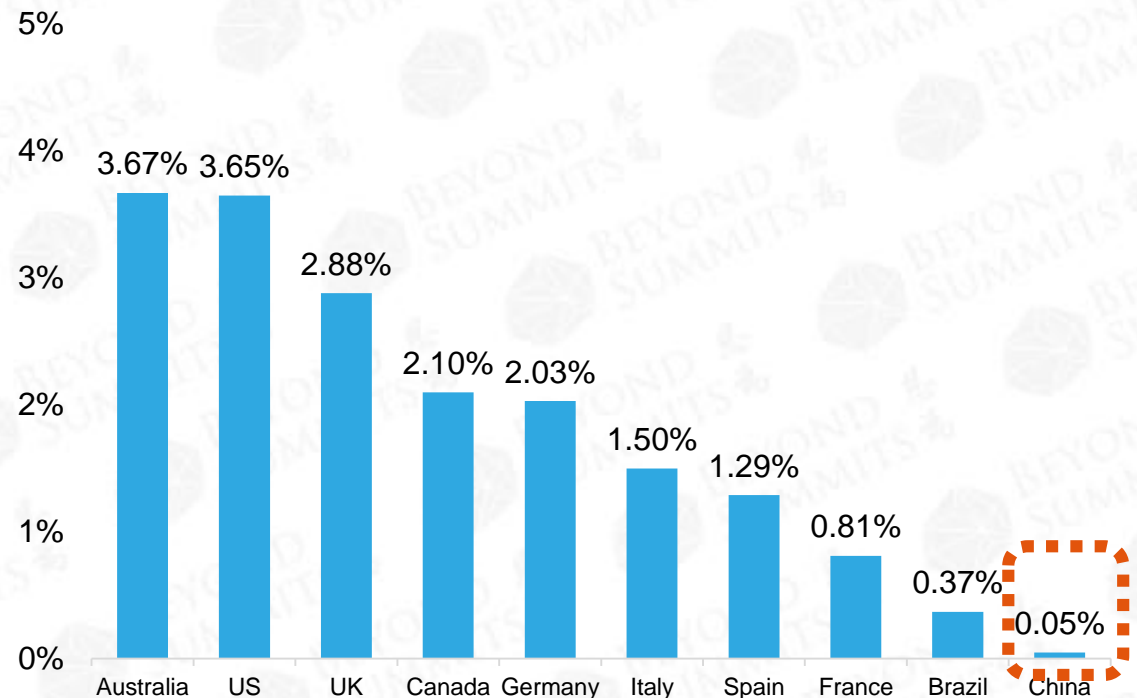
In 2015, China ranked 8th in the number of cruise tourists, but its penetration of cruise was only 0.05%. US ranked the first and its penetration was 73 times higher than China. Thus, there's huge potential in China's cruise market.

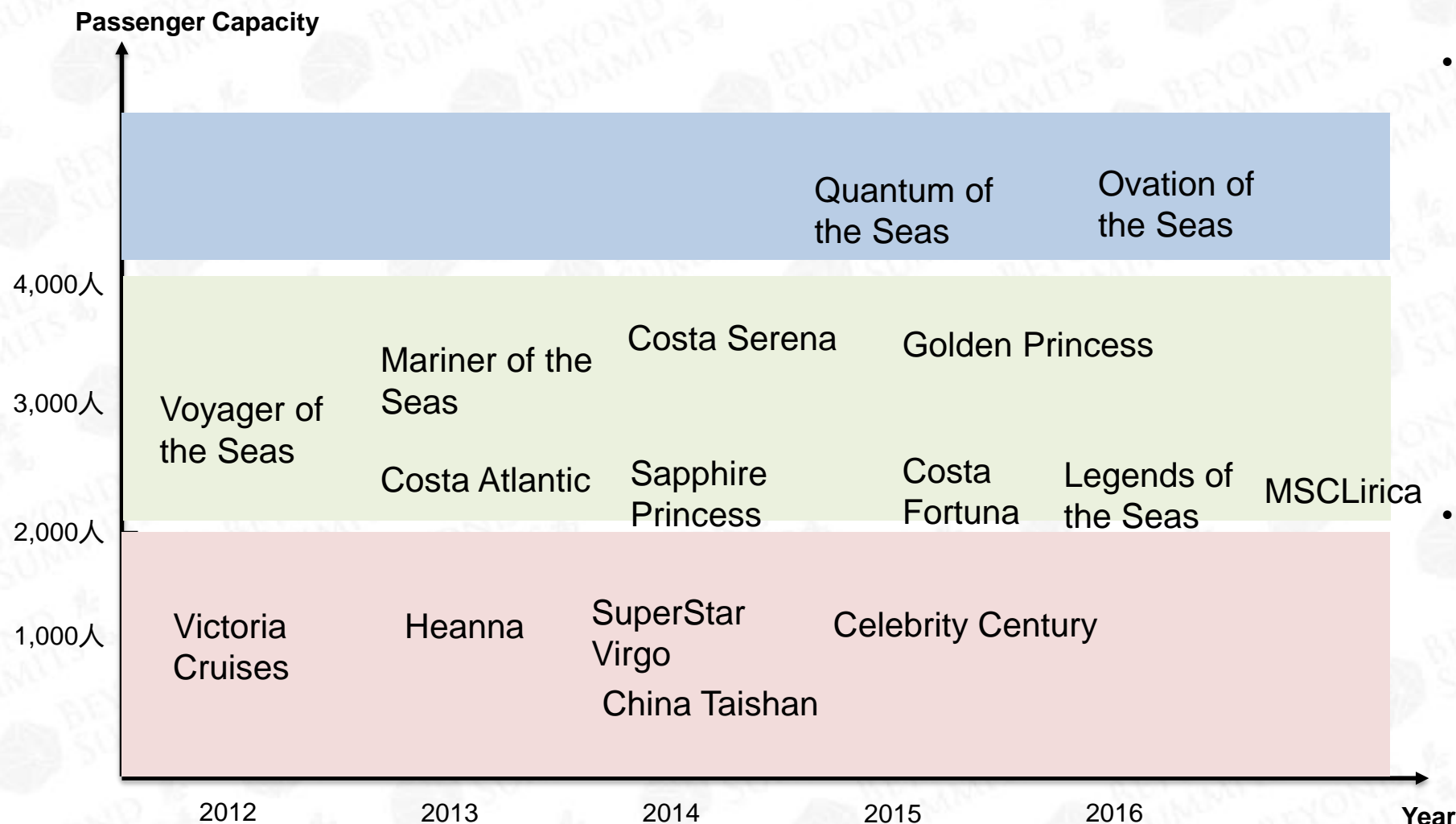
Top 10 Countries with the Most Cruise Tourists in 2015 (million person-times)



Source : Analysys

Top 10 Countries with the Highest Penetration of Cruise Travel(2015)





- Since 2012, cruise operators have begun to pay attention to China market, including Costa Cruise, Royal Caribbean International, and Superstar Cruise. Ovation of the Seas, Sapphire Princess, and Quantum of the Seas held capacity of over 10 thousand tonnes, with over 2,000 passenger capacity.
- In recent 5 years, international cruise manufacturers and operators have come to expand their business in China medium-high end market. More brands and large capacity of cruise ships will be in service in China market.

Source : Analysys

China has built a group of northeast ports based on the Yangtze River Delta and Bohai Rim, a group of southeast ports based on the Pearl River Delta and Beibu Gulf, and a group of cross strait ports based on cross-straits and Taiwan.

China's Top Cruise Ports

Ranking	Port	Number of Tourists (person-time)	Number of Cruise Times
1	Shanghai	1,597,945	320
2	Tianjin	412,000	86
3	Xiamen	98,399	47
4	Haikou	36,295	26
5	Qingdao	32,077	19
6	Guangzhou	26,000	1
7	Zhoushan	20,000	12
8	Dalian	13,607	10
9	Yantai	11,286	18
合计	——	2,247,609	539

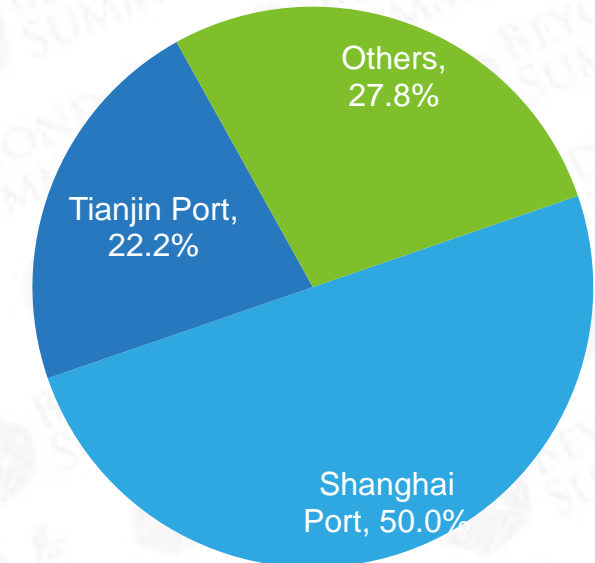
Source : The Development of China Inbound Tourism Market in 2016, China Tour Research Institute

As of the middle of 2016, China's cruise transportation was mainly concentrated in 4 ports, including Shanghai, Tianjin, Xiamen and Sanya. In the future, China's coastal areas will be led by 2-3 cruise home ports with ports of departure and ports of supplement. Meanwhile, the structure of multi-ports will increase the supply of cruise travel.

The Location and Lines of China's Main Ports in 2016

Region	Port	Function	Main Lines
North China	Tianjin Dalian Qingdao Yantai	Port of departure, Home port Port of departure Port of departure Port of departure	Japan, South Korea Japan, South Korea Japan, South Korea Japan, South Korea
East China	Shanghai Ningbo-Zhoushan	Port of departure, Home port Port of departure	Hong Kon, Taiwan/Japan, South Korea —
South China	Xiamen Guangzhou Shenzhen (under construction)	Port of departure, Home port Port of departure Port of departure	Hong Kon, Taiwan/Japan, South Korea Hong Kon, Taiwan/Southeast Asia —
Southwest China	Sanya Haikou Beihai	Port of departure Port of departure Port of departure	Hong Kon, Taiwan/Southeast Asia Southeast Asia Southeast Asia

Departure Place of China's Cruise Lines in 2016



Trend of Cruise Travelers

Trend One

From South to North: The operation and cruise market of Tianjin ports have risen gradually, and the north market represented by Tianjin and Beijing has been activated. As of the second quarter of 2016, north market has occupied 30% of the total market share, and is expected to become the core cruise market.

Trend Two

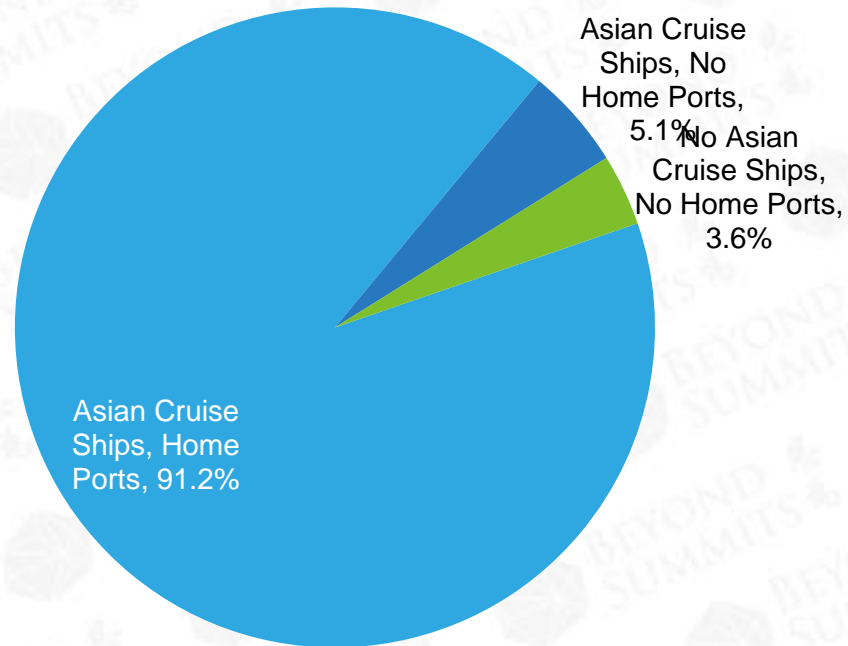
From East to West: The saturation of Shanghai and other east tourist market urged the cruise suppliers to develop inland market. Some central and west regions have become the potential tourist market, including Wuhan, Xi'an, Chengdu, and Chongqing.

Trend Three

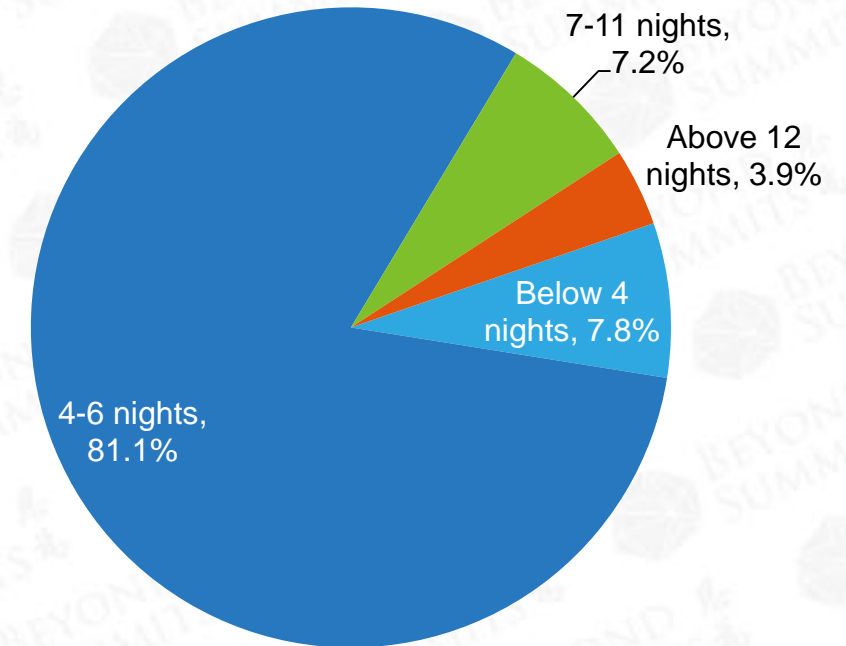
From first-tier cities to second-tier cities: With the cruise distributors and operators developing markets together, cruise products will be received by the tourists in second-tier cities gradually, which will be the core force to drive the cruise market.

In the first half of 2016, the destination of China's cruise trip mainly led to Japan and South Korea. The proportion of staying for 4-6 nights accounted for the largest share. Moreover, southeast lines will be paid more attention in the future. Flight tickets and cruise products in Singapore, Vietnam, Thailand, and Malaysian ports will increase.

Departure Port of China's Cruise Travel in 2016 H1



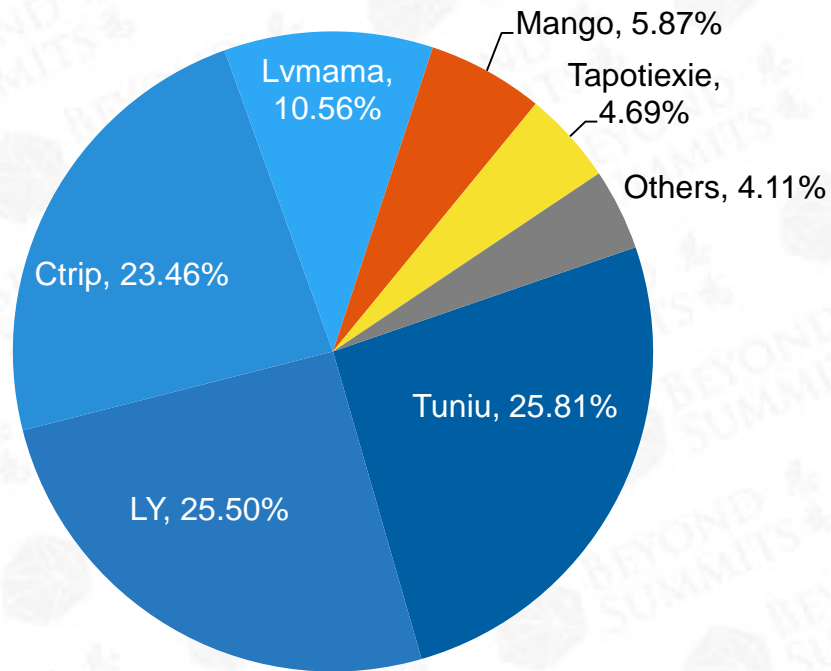
Time of Cruise Products in China (2016 H1)



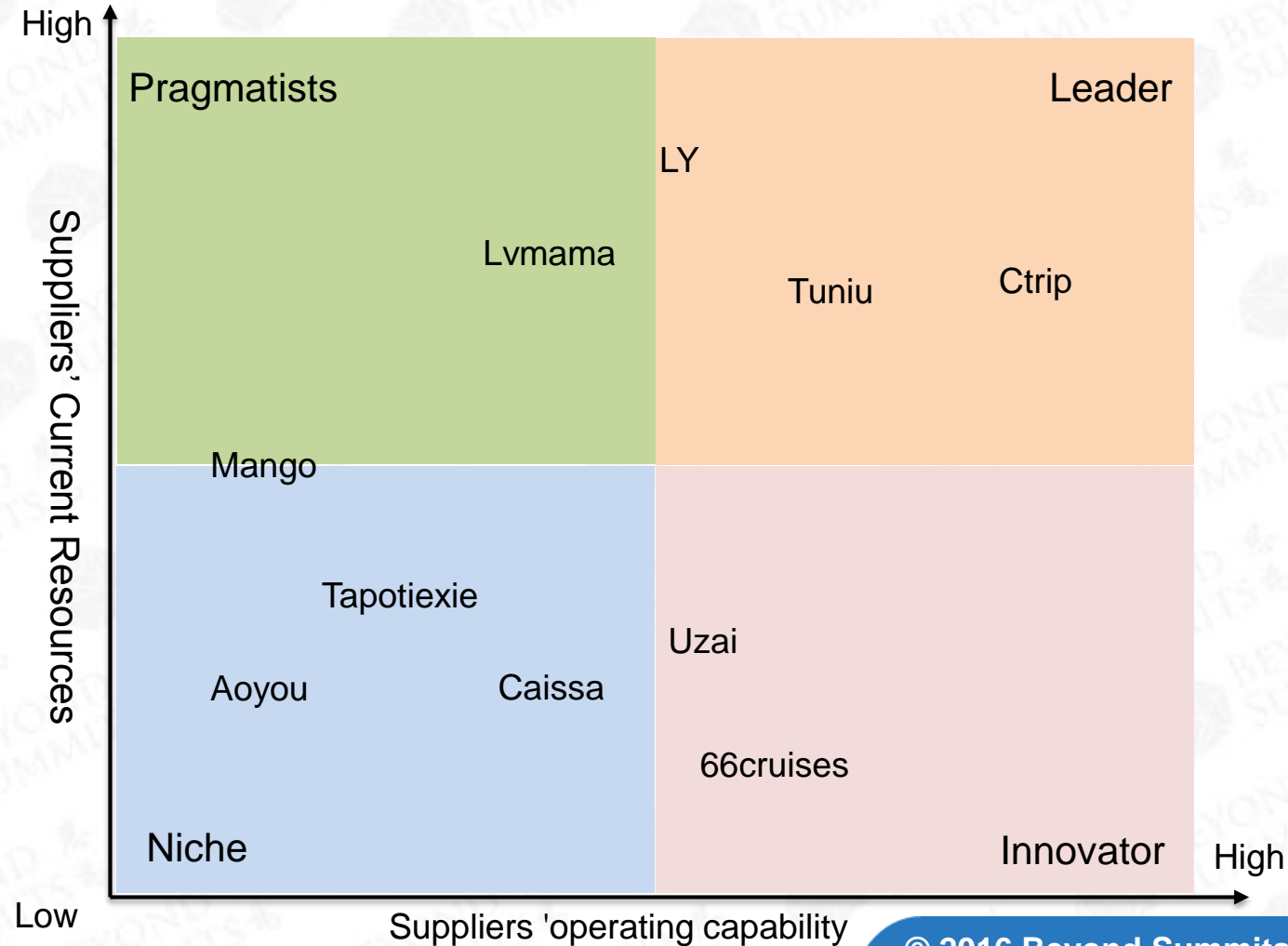
Source : Analysys

In the first half of 2016, Tuniu, LY and Ctrip occupied more than 70% of the online cruise market share. Relying on “Cruise Plus” products, LY led the consumption of online cruise market. Ctrip attracted the consumers by introducing “Cruise DIY-Tour”. Depending on strong offline strengths, Tuniu supported high-end cruise products.

Transaction of China's Online Cruise Distributors in 2016 H1

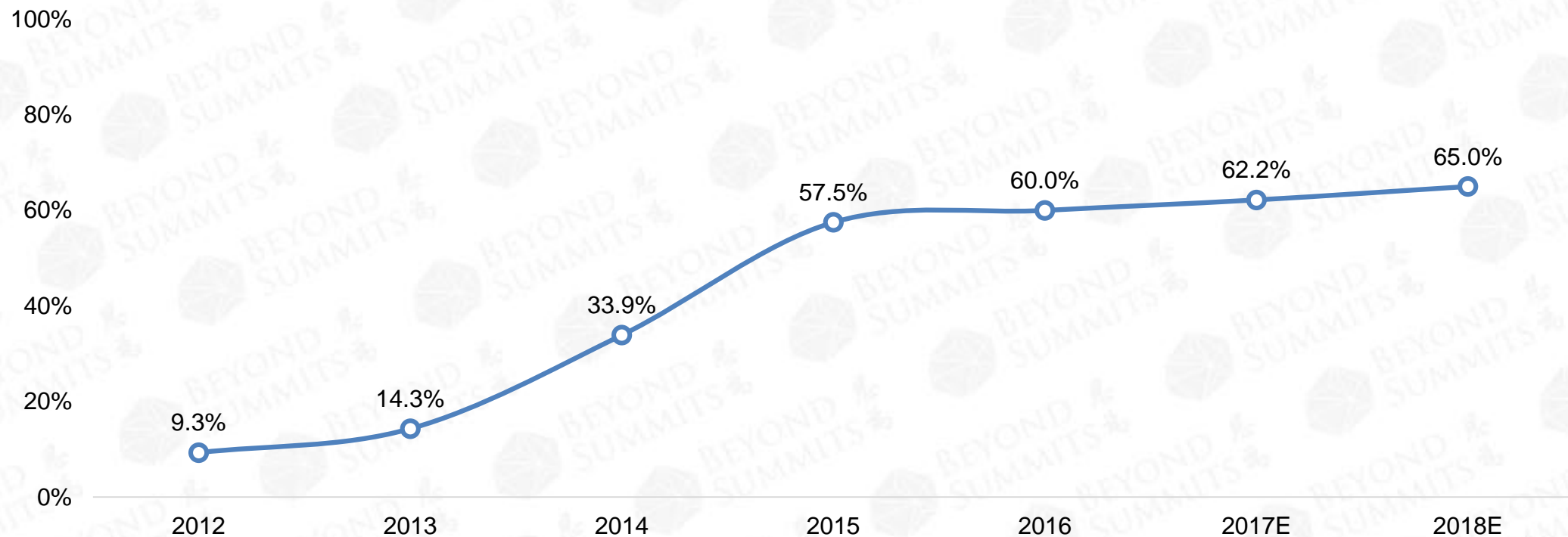


Source : Analysys



The online cruise distributors have emphasized on the layout of cruise market since 2012. Many of them began to set up cruise division since 2013, promoting the penetration of China's online cruise travel. It was predicted that the penetration of China's online cruise market would grow to 65% in 2018.

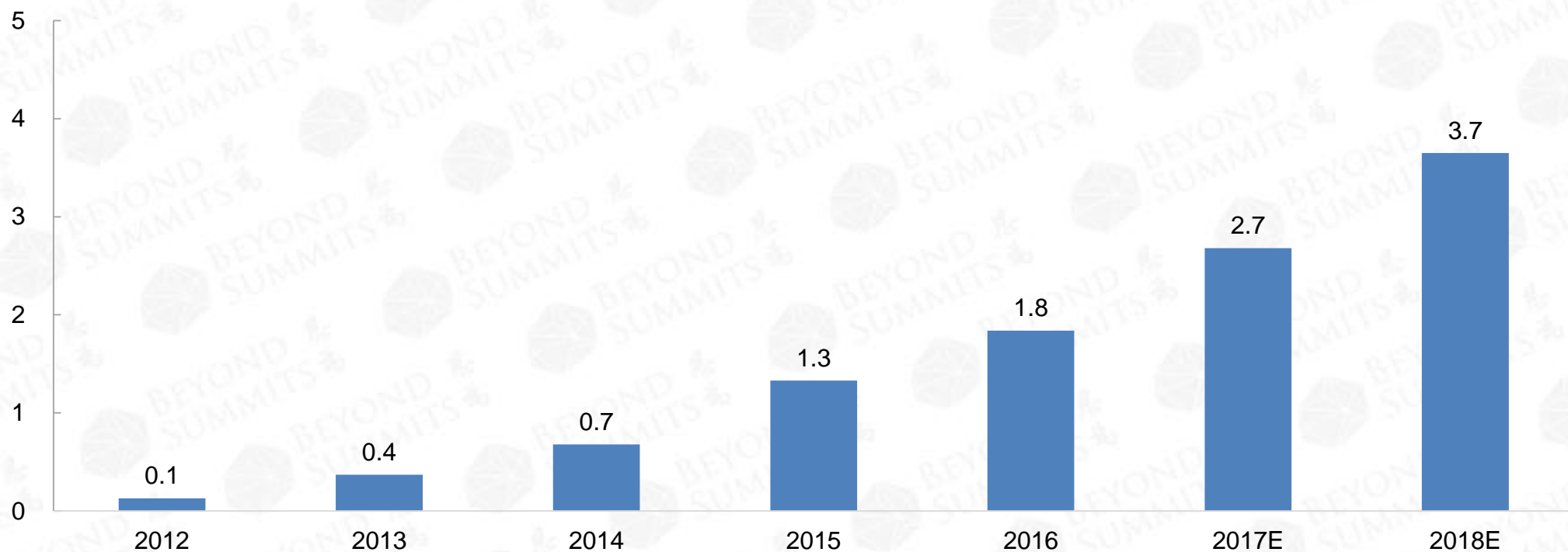
Penetration of China's Online Cruise Market



Source : Analysys

Better infrastructure, presence of international cruise companies, diversified cruise products, and more precise marketing method have boosted the development of China's cruise tourism market, and expanded the scale of online cruise market. It was estimated that revenue from China's online cruise market would increase to CNY3.7 billion in 2018.

Revenue from China's Online Cruise Market (yuan, billion)



Source : Analysys

Rapid Growth of Cruise market

In 2015, the number of cruise ships docked by the home port increased to 12, with more than 1 million cruise tourists from Mainland China. Shanghai, Tianjin, Qingdao, Dalian, Yantai, Xiamen, Guangzhou, Haikou, Zhoushan and Sanya received 629 cruise ships, up by 35% compared with 2014. It was estimated that the operating capability of home port would increase by 80% in 2016.

1

Improved Layout of Cruise Ports

More than 10 coastal cities in Mainland China are setting up or have already established international cruise center, including Shanghai, Tianjin, Ximan, Sanya, and Qingdao. Shanghai, Tianjin, Sanya and Xiamen have been developed into international cruise home ports.

2

Port Reception Gap between Cruise Ports

As of 2015, cruise ships have docked for 488 times in Shanghai WuSongKou International Cruise Terminal, receiving 2.5 million tourists (person-times). It has become the biggest cruise hub in Asia Pacific and the world's 5th biggest cruise home port. Other ports' reception ability is far weaker than Shanghai.

3

Network of Distribution Channels

In 2015, the number of cruise tourists choosing OTA increased by about 100% year-on-year. OTA providing cruise products include Ctrip, LY, Tuniu, etc. Because of the prosperous outlook of cruise market, cruise products have become the focus of online and offline travel agencies.

4

China Outbound Cruise Travel Status and Market Scale

Larger Capacity of Ships

In 2015, the international cruise companies developed Chinese market in succession, with 12 cruise ships in home ports. It shows the trend of ships with larger capacity, and the cruise ships with over 80 thousand tonnes accounted for more than 60%. In 2015, Royal Caribbean International introduced "Quantum" with 160 tonnes in China, leading the consumption trend towards upsizing ships

Operating Difficulties of Local Cruise Ships

In 2015, "Henna" quitted the Chinese market due to its operation for more than 30 years. Hainan Airlines claimed to withdraw from cruise market temporarily.

OTA's Increasing Market Share

In 2015, the gross income from China's cruise market increased to CNY4.53 billion, in which the income from online booking platform accounting for 29.3%. Among all online booking platforms, the proportion of transaction volume from OTA platform was at 48.7%. OTA platforms added cruise products in succession, including Ctrip, Lvmama, LY and Tuniu.

Features of China's Cruise Tourism (2015)

Innovation of Cruise Products

In 2015, LY increased investment in scale and promotion of chartered ship. It created "cruise plus business" firstly, and developed new products according to the demand of segmented markets. It also launched the innovative products successively, such as "cruise plus health", "cruise plus honeymoon tour", and "cruise plus parent-child tour".

China's Cruise Outbound Tourism Trend

1.

Local and foreign cruise giants have gone farther in the industry chain: Cruise giants transformed from providing single cruise products to fulfilling the demand needed by all the industry. Besides cruise operation and ticket business, they turned to the construction of cruise ports and cruise ships, personnel training, and comprehensive development of cruising economic zones.

2.

Platform-based sales for cruise products has become the trend: Domestic famous OTA built professional sales platforms. Offline cruise providers have built national-wide sales system of cruise products. Professional platforms for cruise sales were constantly emerging. The cruise companies increased direct sales by their own networks. In 2016, sales of cruise products began to get out of the mode of retail chartered ships.

3.

Cruise products are improving with prosperous market outlook : The upgrade of Chinese consumption in travelling promoted their acceptance with cruise products. LY achieved cooperation with more than 20 cruise companies worldwide. Its global cruise products launched in succession with more than 10 thousand products available, making it become the booking platform with the most cruise products.

4.

Cruise travel attracted more tourists of second-tier and third-tier cities than before with diversified products for different demand: With the establishment of rapid transit system, the proportion of cruise tourists from Southwest China, Central China, and North China continued to rise. Apart from the Japan and Korea tour, European, American, Mediterranean and southeast lines will be chosen by more tourists.

5.

Derived industry of cruise tourism will be the focus: International chained hotels, yacht companies, credit companies and other enterprises which didn't provide cruise tourism services directly will enter the market. A deeper industry integration will further boost the development of cruise industry.

2015 Luxury Travel by Young Chinese Travelers

8 Insights into China's High-end Young Travelers

1

High consumption capability, rich travel experience

Family's average spending in travel was CNY0.42 million annually, in which shopping expenditure was CNY0.22 million. The budget for accommodation was CNY3,100 per night. They have been to 13 countries on average, with 3.3 countries in the past year. They spent 25 days abroad on average for travelling mainly.

2

Europe and Japan were the most popular destinations

Europe was the most attractive destination for them, especially France. Japan was popular in China's young high-end travelers due to the short distance, convenient shopping, delicious food, high quality services.

3

Prefer to travel at any time or travel during the National Day holiday. Spring Festival is the peak time for traveling

55% of China's young high-end travelers will travel occasionally. The Spring Festival was the peak time for family trip. 56% of China's young high-end travelers chose to travel abroad during Spring Festival last year.

4

Tourism themes tend to be more diversified

Leisure vacation will be the main tourism theme in the future. Meanwhile, more creative and challenging tourism themes will become popular in China's young high-end travelers.



8 Insights of China's Young High-end Travelers

5

Careful consideration in choosing hotels

For China's young high-end travelers, the primary consideration was about room condition, followed by humanized service, good location, high-tech facilities, and favored style. They expected that luxury hotels can provide high-quality accommodation experience with superior facilities and design.

6

Air China and Lufthansa are the most picked airlines

Air China ranked first, followed by China Southern Airlines and China Eastern Airlines. Among all foreign airlines, Lufthansa ranked first due to its multiple routes and convenient transfer. Another factor was that the primary destination for China's young high-end travelers was Europe.

7

WeChat and APP are the main access to get travel information

China's young high-end travelers got tourism information mainly by WeChat, where they could view travel info shared by others from moments or websites. The third-party APP was also an important channel, including Ctrip, Qunar, Tuniu, etc.

8

The tourism theme of Japan, US, France, UK and Australia

Japan: shopping, food; US: business; France: shopping; Australia: vacation; UK: visiting relatives and friends

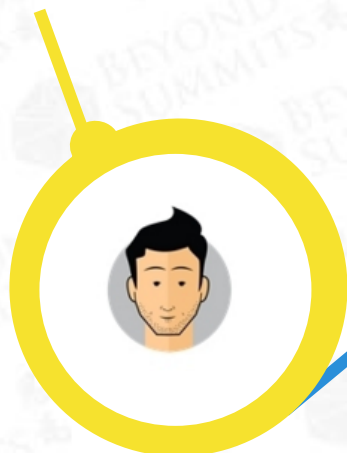
Profile of China's High-end Young Travelers

Working years or studying years abroad: 1.6 years

Married travelers accounted for 77% of the total, and 75% of them had a child. They worked or studied abroad for 1.6 years on average.

Average age: 28 years old

Male travelers accounted for 55% of the total.



The number of countries they've been to: 13

They have been to 13 countries on average, with 3.3 countries in the past year. They spent 25 days abroad on average, mainly for travelling.



Average wealth: CNY38.77 million

Personal wealth mainly obtained from the return on investment (42%), salary (23%), and inherit (20%).

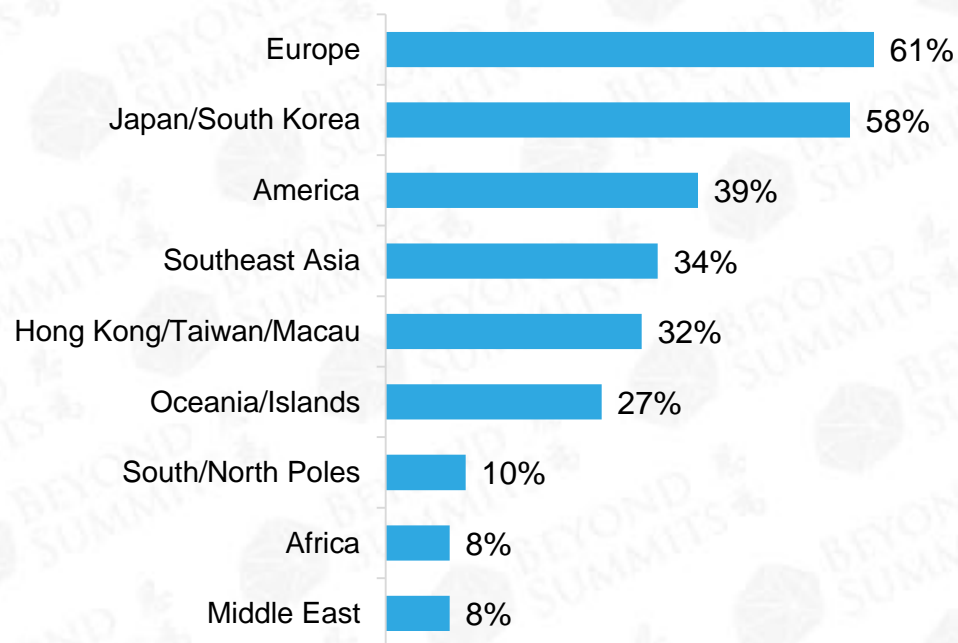


Family travel spend: CNY0.42 million
Expenditure in shopping : CNY0.22 million

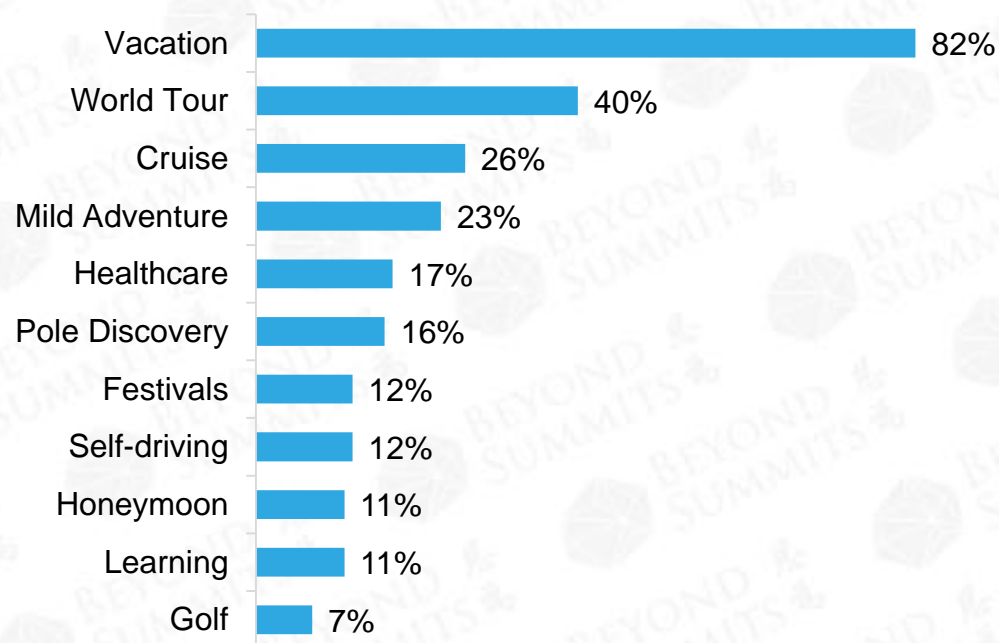
They had high consumption capability. Family's average spend in travel was CNY0.42 million annually, in which CNY0.22 million was on shopping.

China's young high-end travelers preferred to travel in Europe most, followed by Japan and Korea. Their main travel purposes was to have vacation, world tour or cruises.

Major Overseas Destinations Last Year



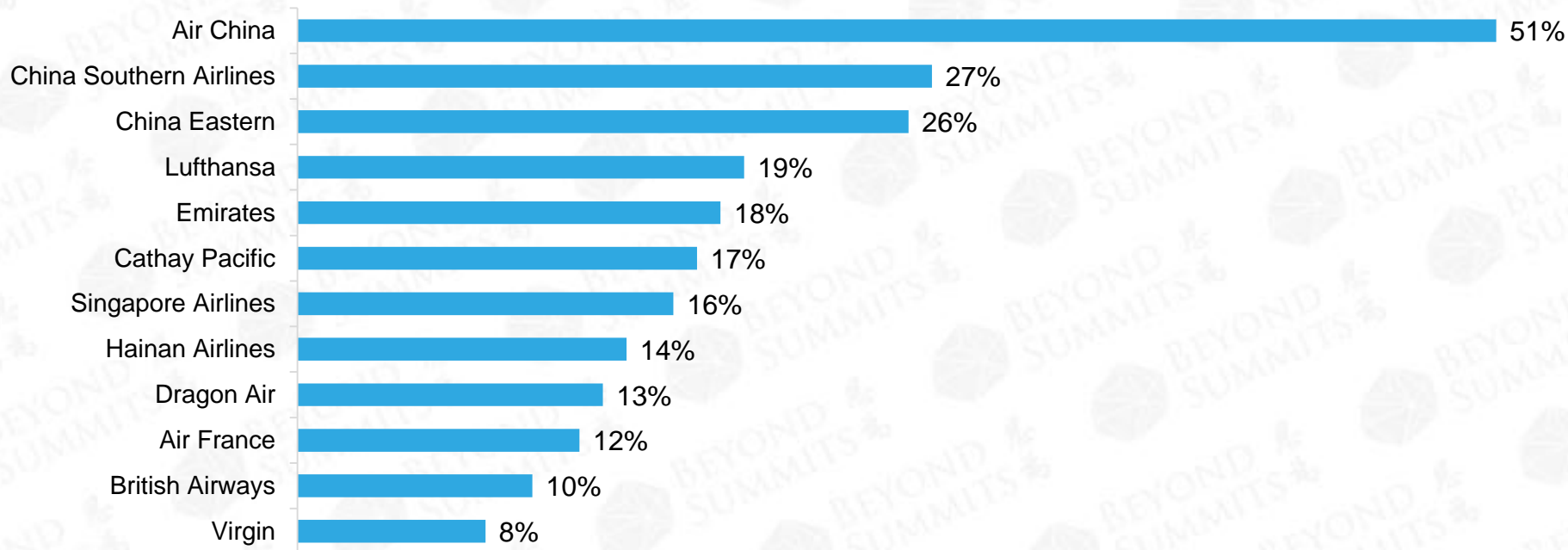
Major Overseas Travel Purposes Last Year



Source : Hurun Report

Domestic airlines favored by China young high-end travelers included Air China, and international airline preferred by them was Lufthansa which had more international air routes and transitions.

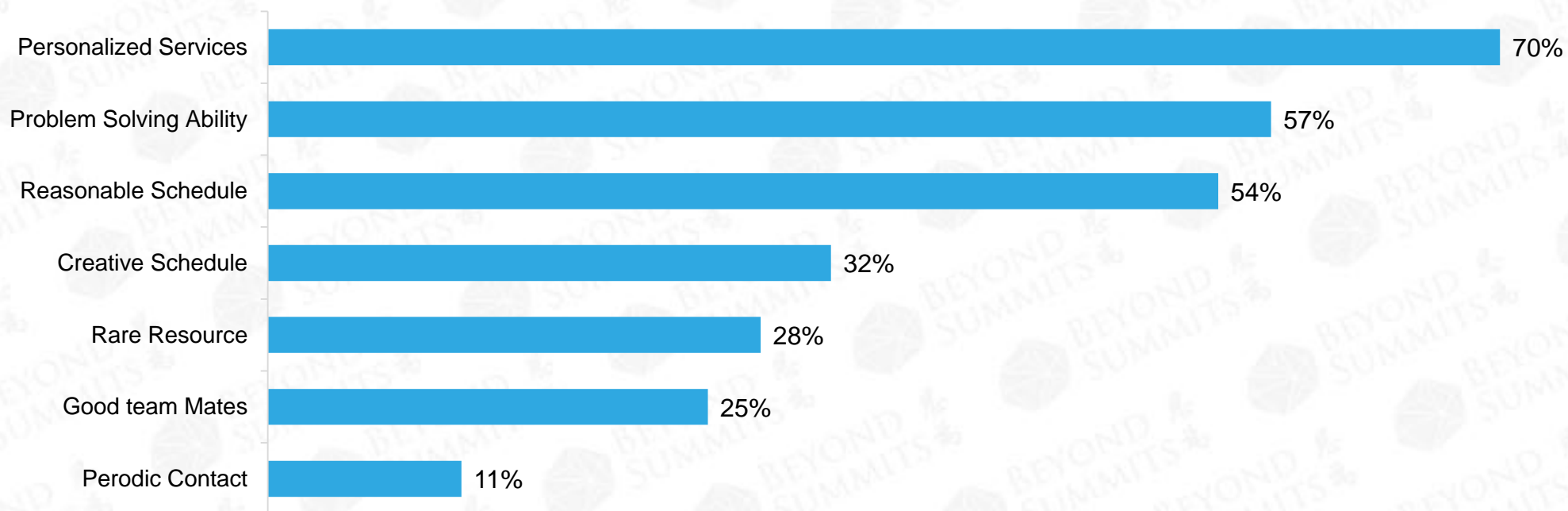
Airlines Preferred by China's Young High-end Travelers



Source : Hurun Report

When selecting travel agents, China's young high-end travelers prefer the ones with personalized services, strong problem-solving abilities and reasonable schedule.

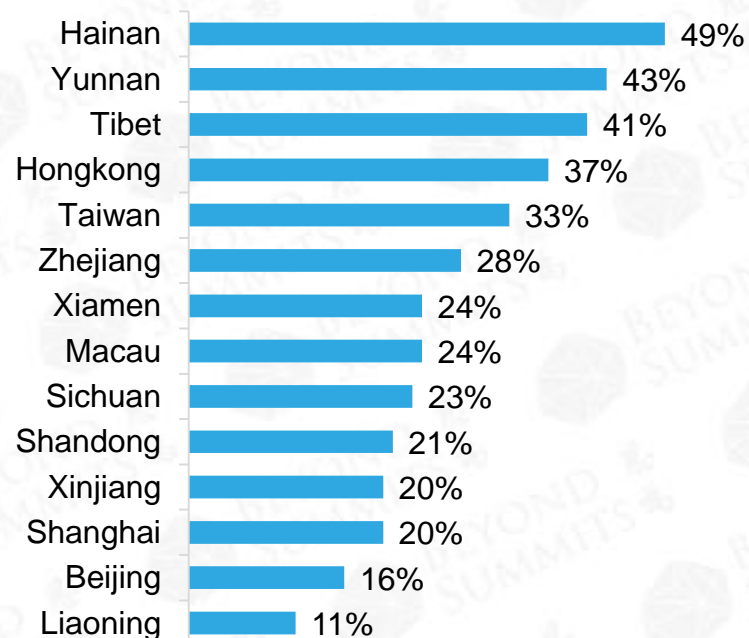
Characteristics of Travel Agents Preferred by China's Young High-end Travelers



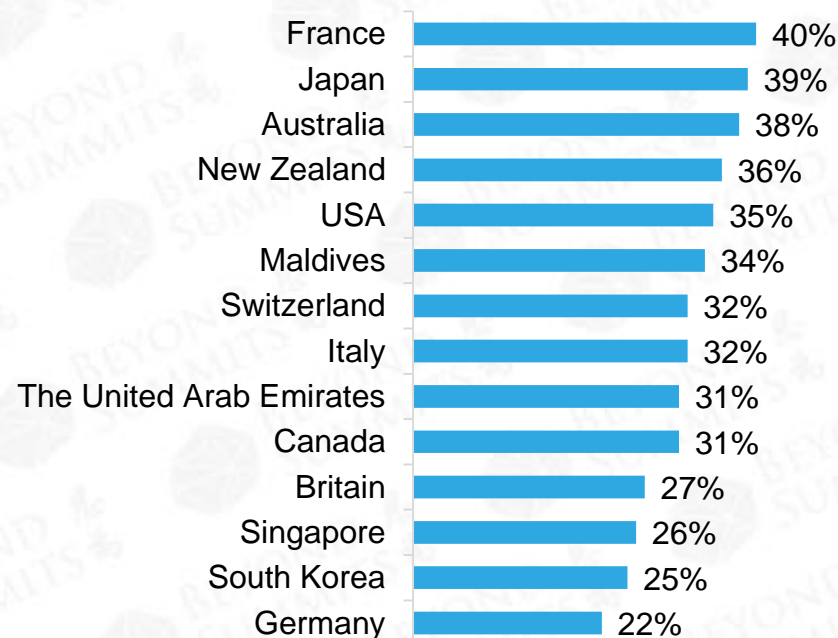
Source : Hurun Report

Followed by Yunnan and Tibet, Hainan Province ranked the top of domestic destinations with its unique island vacation in China. On the other hand, France was the most popular outbound destination favored by China's young high-end travelers, for its Petty Bourgeois Sentiment, shopping paradise, and historical sight-seeing.

Domestic Destinations Preferred by China's Young High-end Travelers



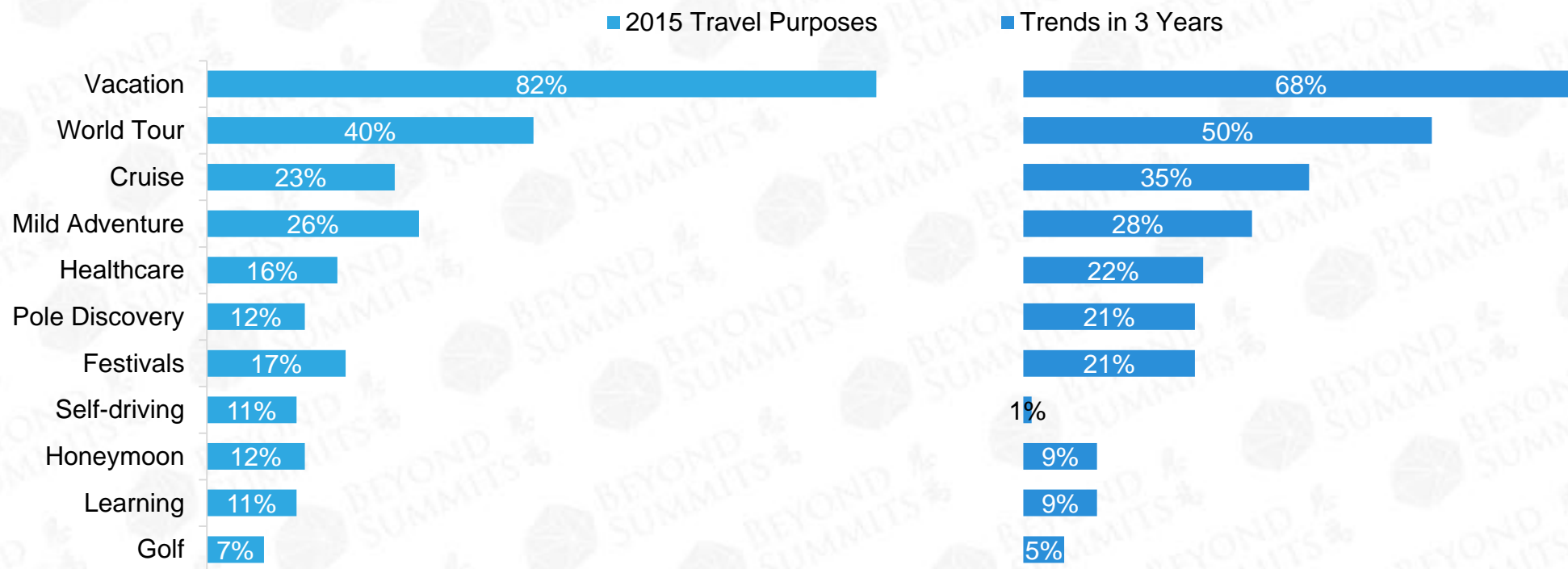
International Destinations Preferred by China's Young High-end Travelers



Source : Hurun Report

Vacation, world tour and mild adventure are top 3 travel purposes in the next 3 years. However, vacation became less compelling for the young travelers, yet world tour, mild adventure and pole discovery will be drawing more attention in the next 3 years.

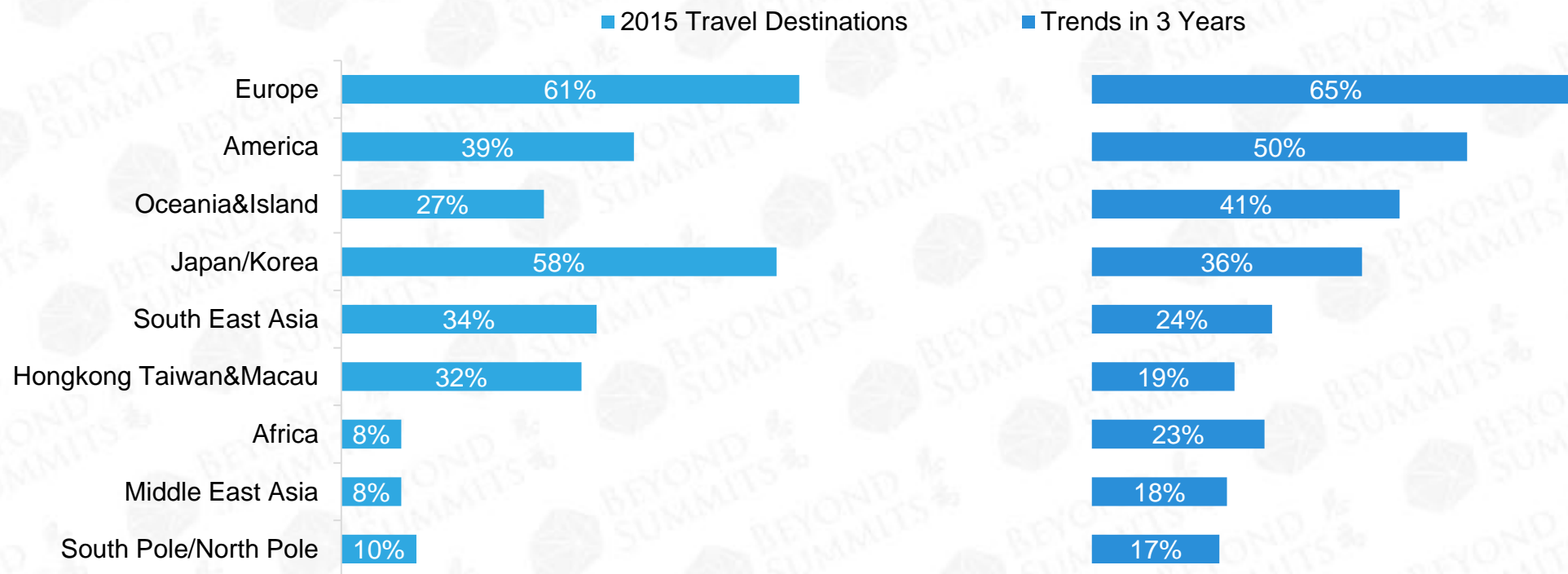
2015 Travel Purposes and Trends in 3 Years



Source : Hurun Report

Europe and US are expected to become the most popular destinations in the next 3 years. Furthermore, travel demand for South East Asia and Hong Kong, Taiwan, Macau will drop, while people may be more interested in America, Oceanic & Islands, Africa, Middle East China and North/South Pole.

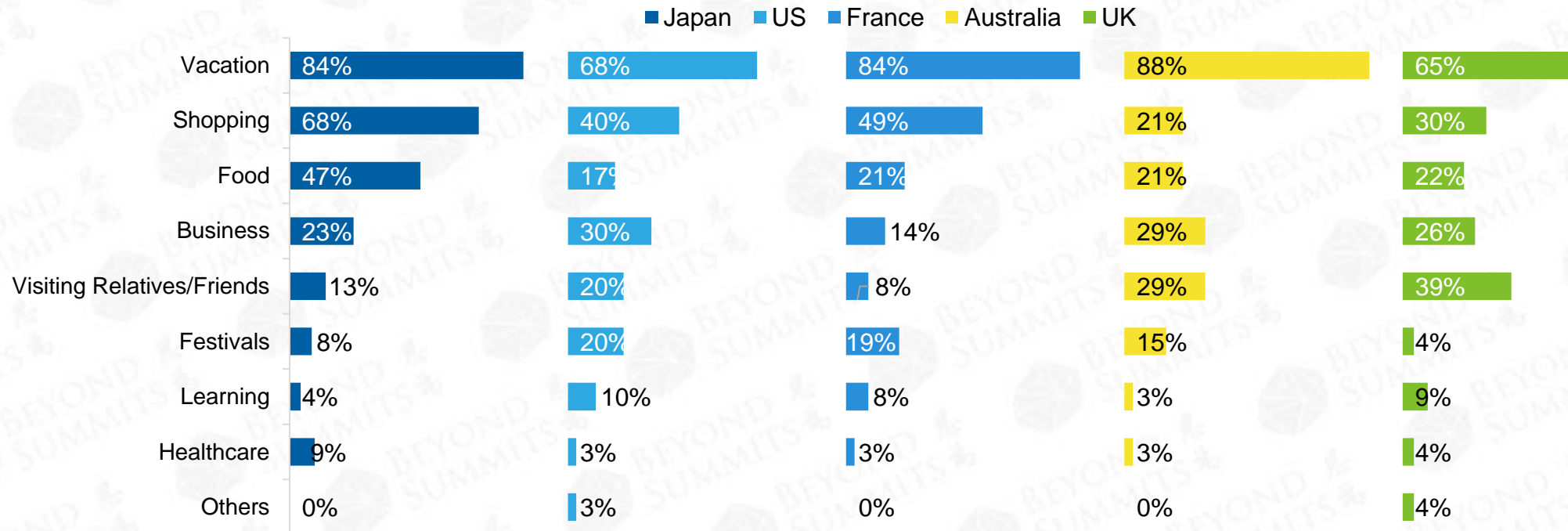
2015 Travel Destinations and Trends in 3 Years



Source : Hurun Report

For China's young high-end travelers who chose any one of the TOP 5 popular destinations, their major purpose was to travel for vacation. Besides, the travelers also fancied the shopping in Japan, USA and France, as well as visiting relatives and friends in Australia and UK.

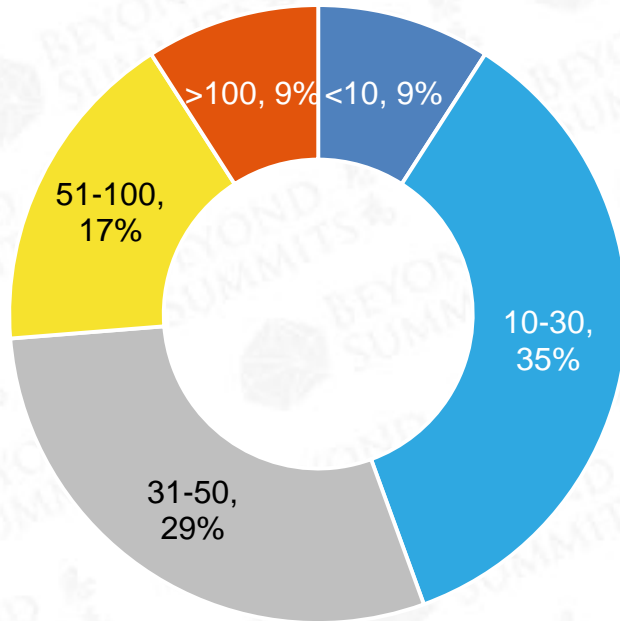
2015 China's Young High-end Travelers' Purposes for Traveling to Popular Overseas Destinations



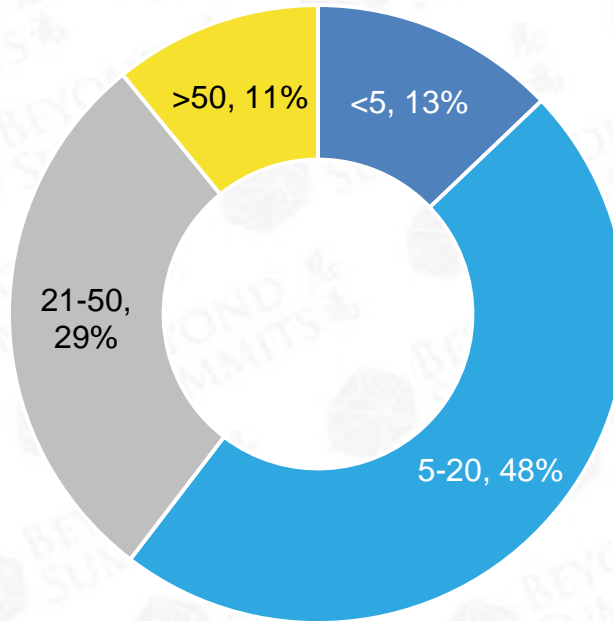
Source : Hurun Report

In 2015, average annual travel expenditures and average shopping expenses for young rich family was 420 and 220 thousands yuan respectively. They showed more interests in shopping apparels, bags and watches instead of electronic products and alcohols.

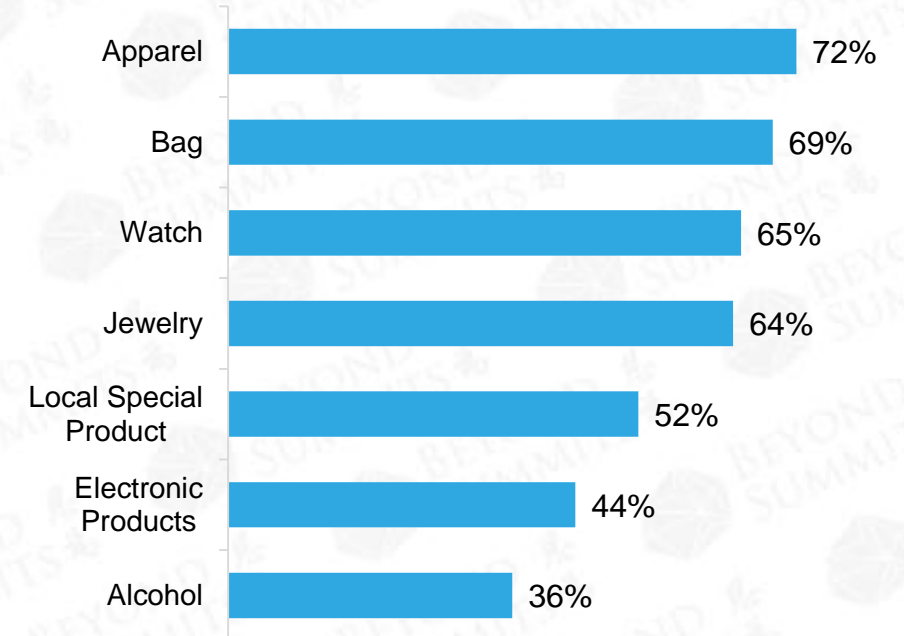
**Total Annual Travel Expenditures
per Family (10,000 yuan)**



**Shopping Expenses during Trips
(10,000 yuan)**



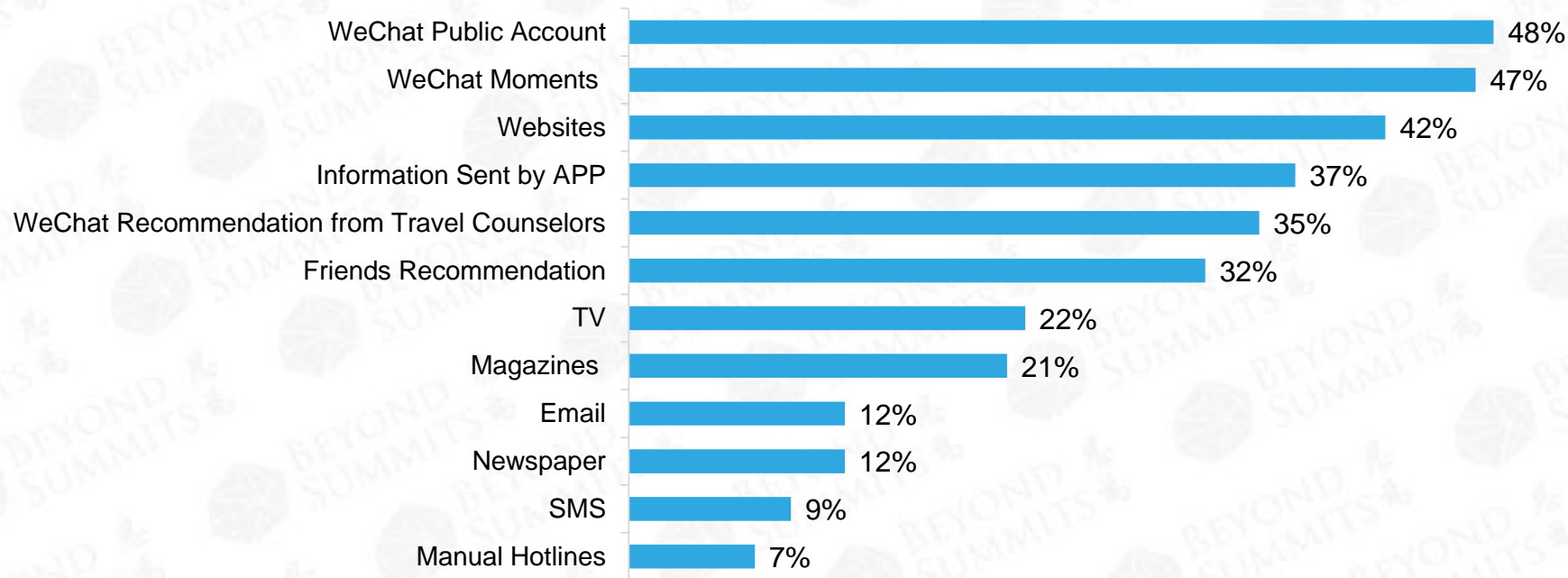
Products Purchased during Trips



Source : Hurun Report

Acquiring information via mobile phone was very popular among young high-end travelers. Information from WeChat public account and WeChat Moments accounted for 48% and 47% respectively. Male travelers preferred information released on the website while females preferred WeChat information and friends' recommendations.

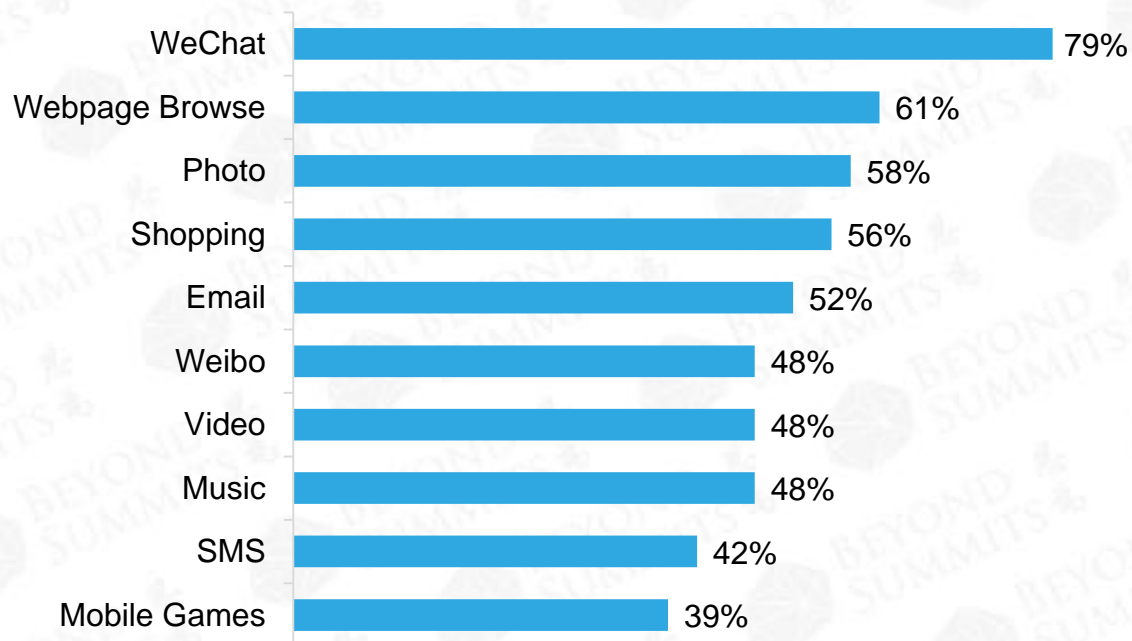
China's Young High-end Travelers' Information Resources



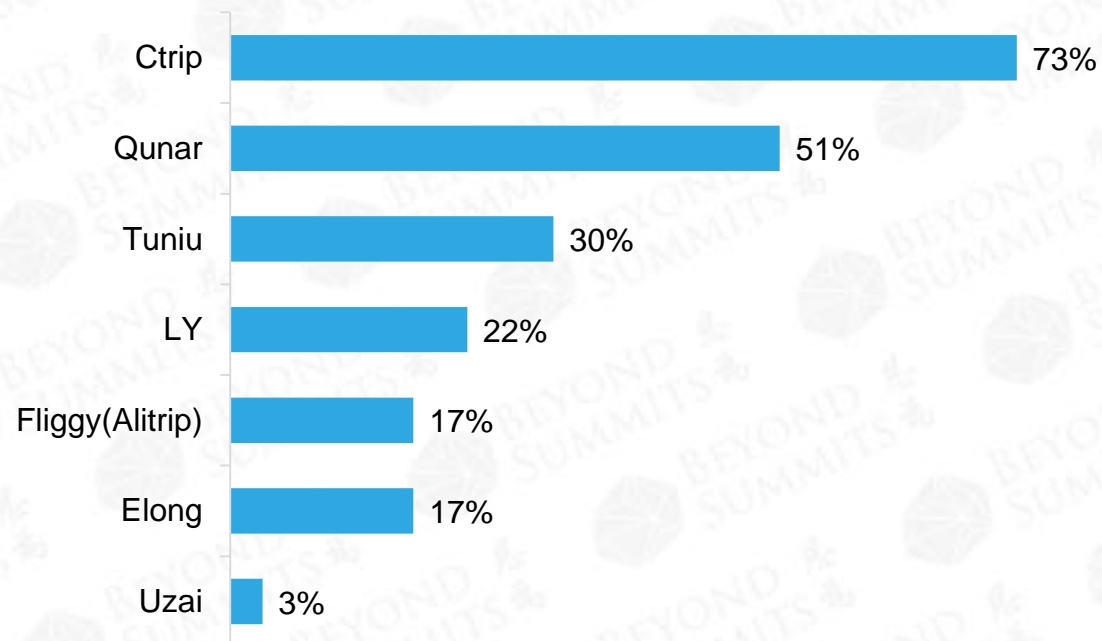
Source : Hurun Report

Mobile phone played very important role for China's young high-end travelers to get information. They used mobile phone to check WeChat updates, browse webpages, take photos and do mobile shopping. Ctrip, Qunar and Tuniu were travelers' three most frequently used APPs.

What China's Young High-end Travelers Use Mobiles for



What Travel Apps China's Young High-end Travelers Prefer

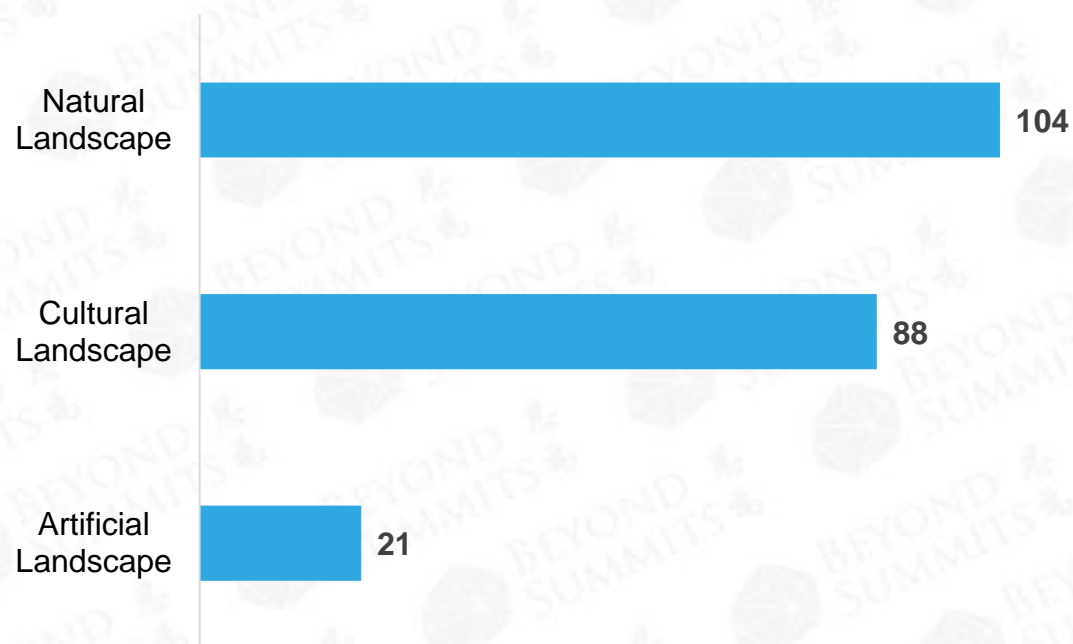


Source : Hurun Report

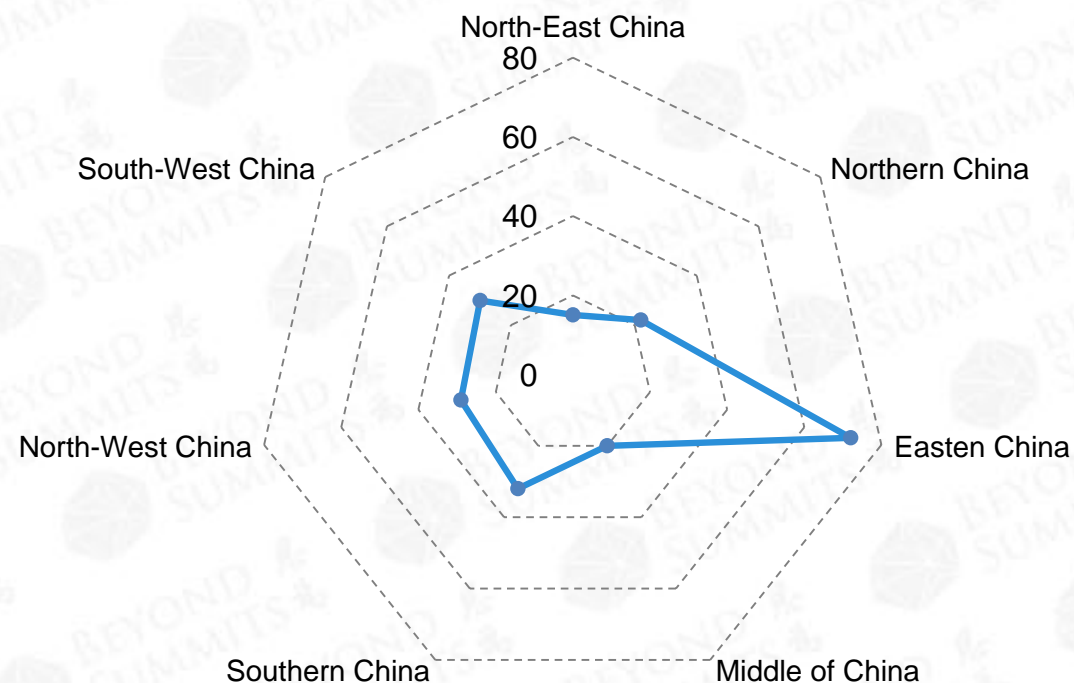
2015 Online Sales of Scenic Spots in China

As of 2015, China had more than 7,000 scenic spots with A levels, among which more than 1500 were 4A and 5A scenic spots. Domestically, China had 213 5A spots, 104 of which were natural landscape spots. East China occupied 33.2% of total 5A spots.

**2015 Type and Quantity
Of China's 5A Scenic Spots**



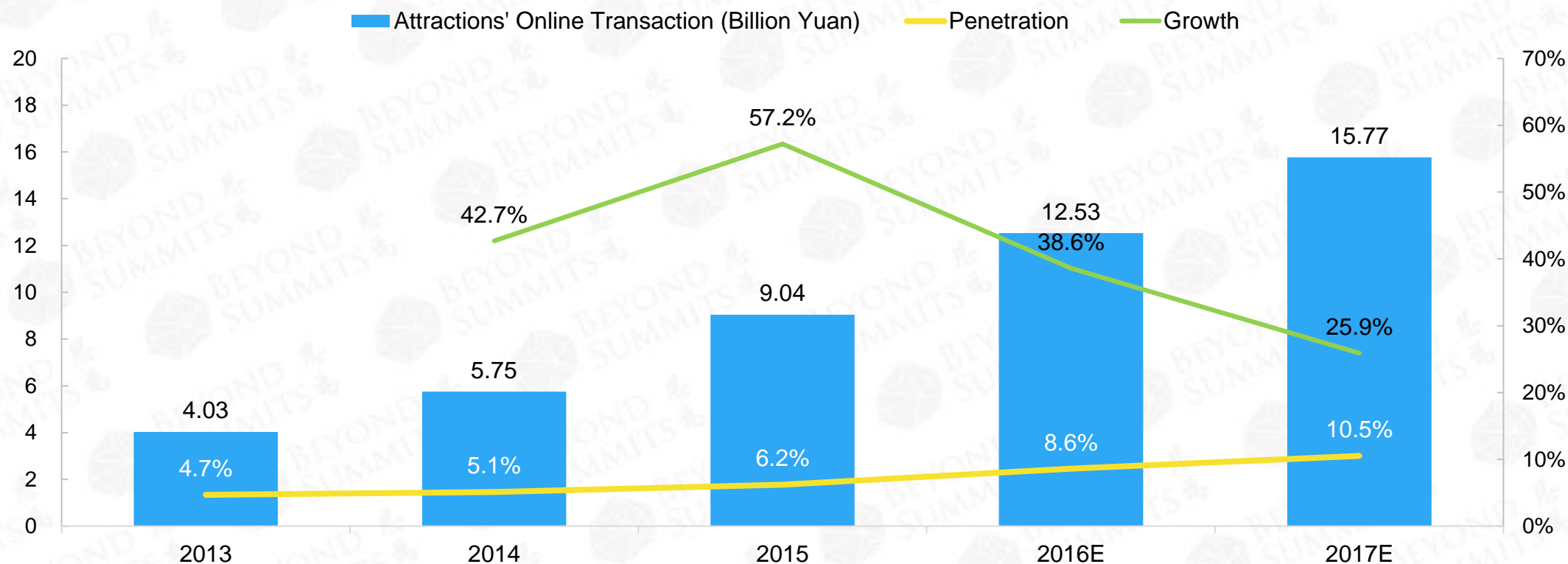
**2015 Distribution and Quantity
Of China's 5A Scenic Spots**



Source : Iresearch

Thanks to the mobile Internet booming and the promotion of “Internet Plus” Smart Travel Platform, the online transactions of attractions reached about 9 billion yuan with 10.5% online penetration and 57.2% growth in 2015.

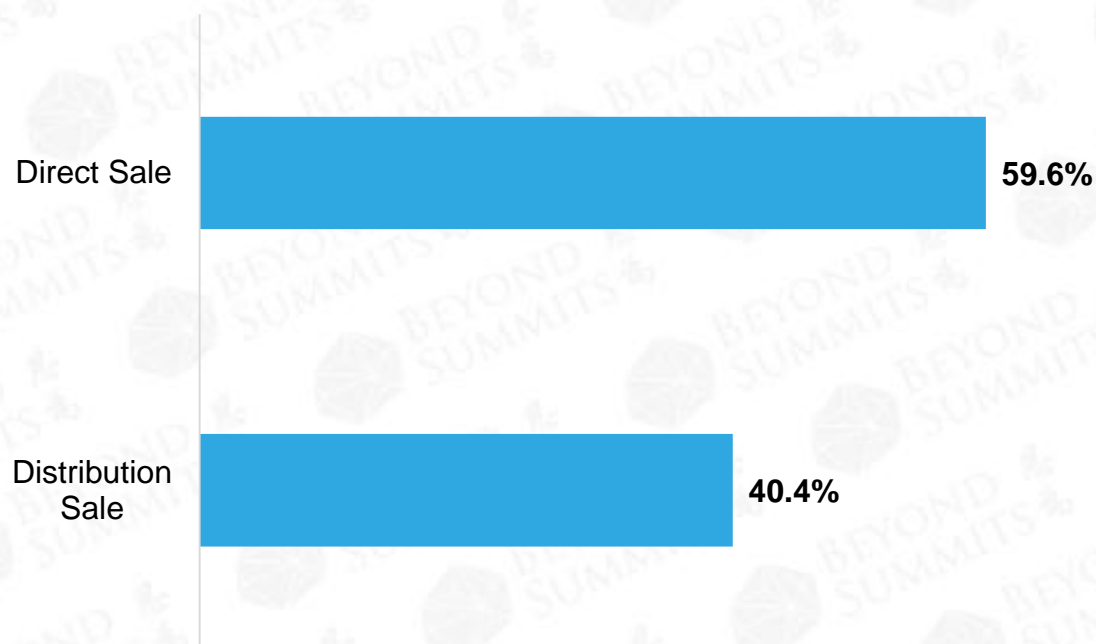
Online Transactions and Its Growth of Chinese Attractions 2013-2017



Source : Iresearch

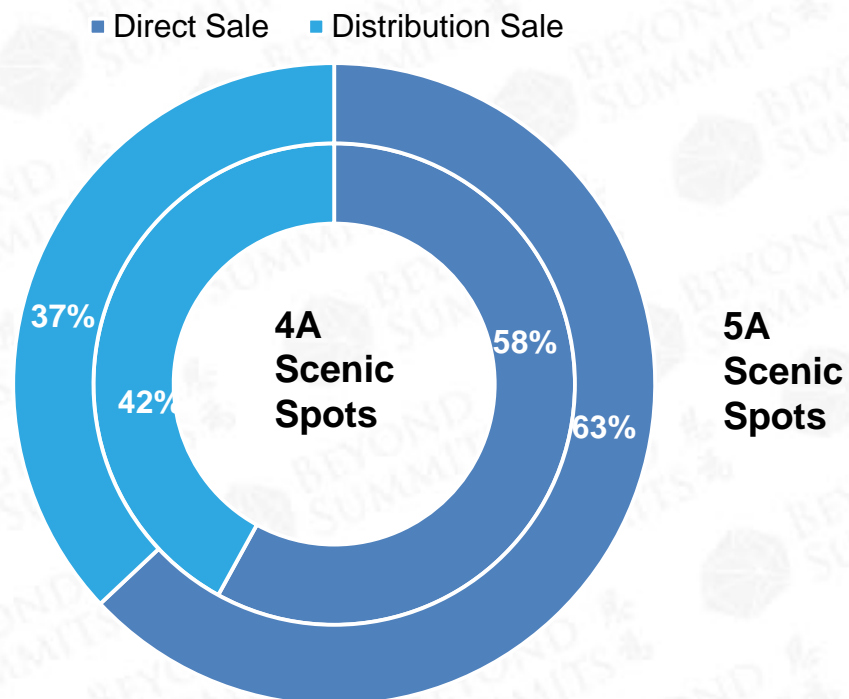
Direct online sales of 5A/4A scenic spots' tickets accounted for 59.6%, comparing to 40.4% sales via distribution channels. 5A scenic spots had higher direct sales proportion than 4A ones. With the deeper cooperation between scenic spots and travel platforms, distribution sales will be promoted.

2015 Channels for Selling Products of 5A and 4A Scenic Spots



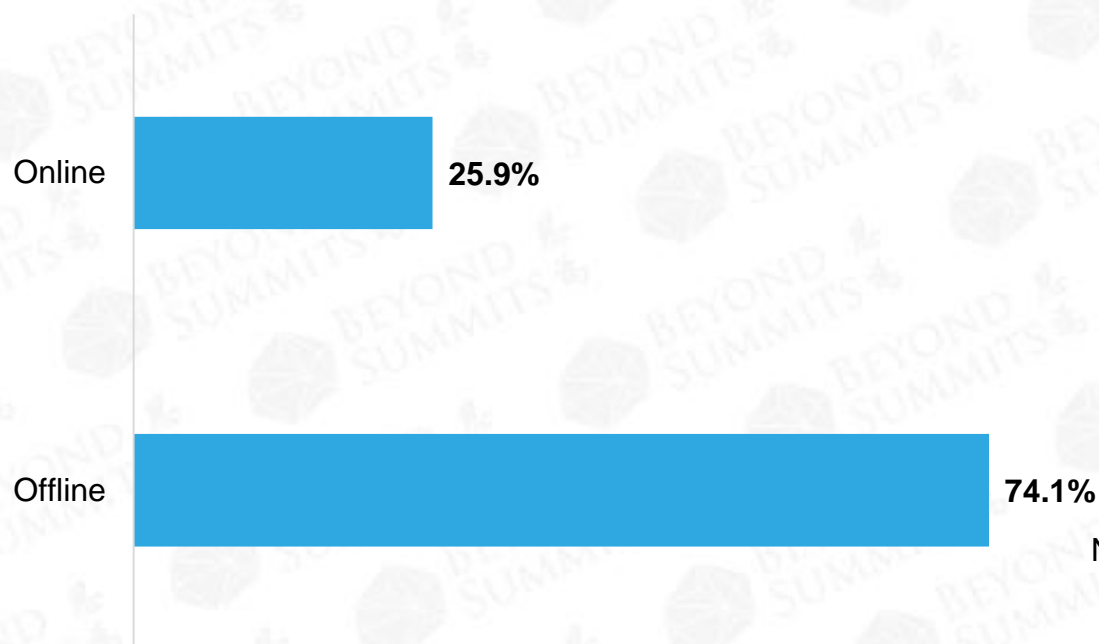
Source : Iresearch

2015 Channels for Selling Products of Chinese 5A and 4A Scenic Spots

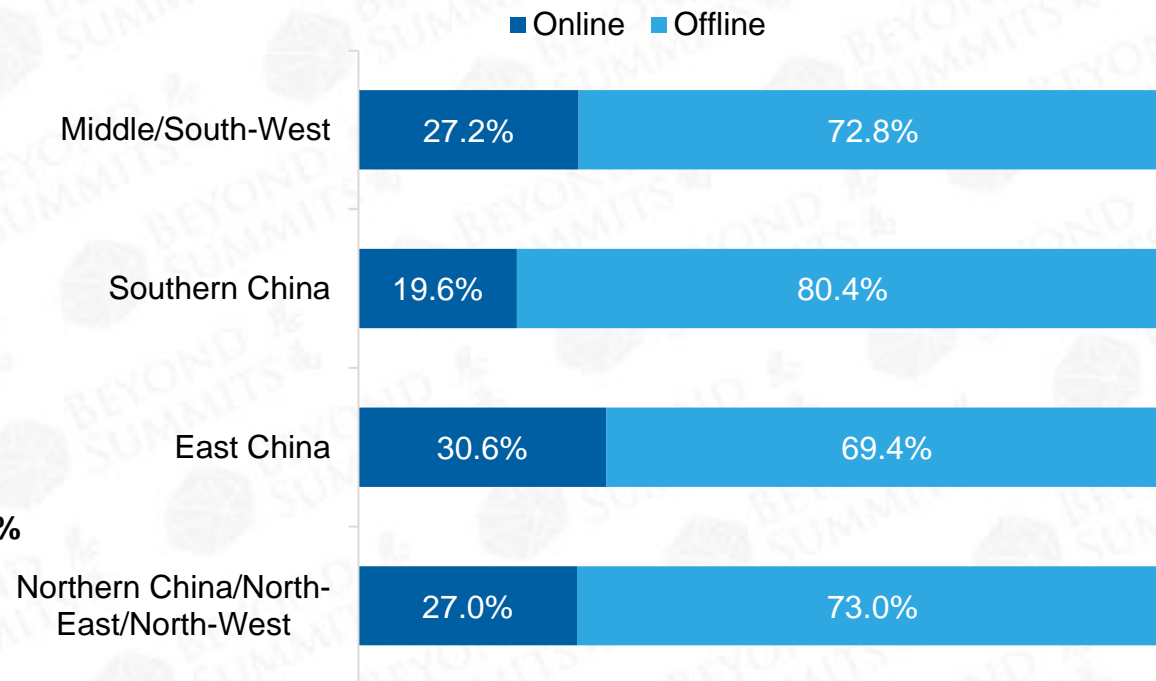


Internet Penetration of China's 5A/4A scenic spots sales was 25.9% in 2015. With booming online sales and application of paperless code scanning, online sales of East China tourism products had the highest Internet penetration with 30.6% online sales.

2015 5A and 4A Scenic Spots Selling Channel

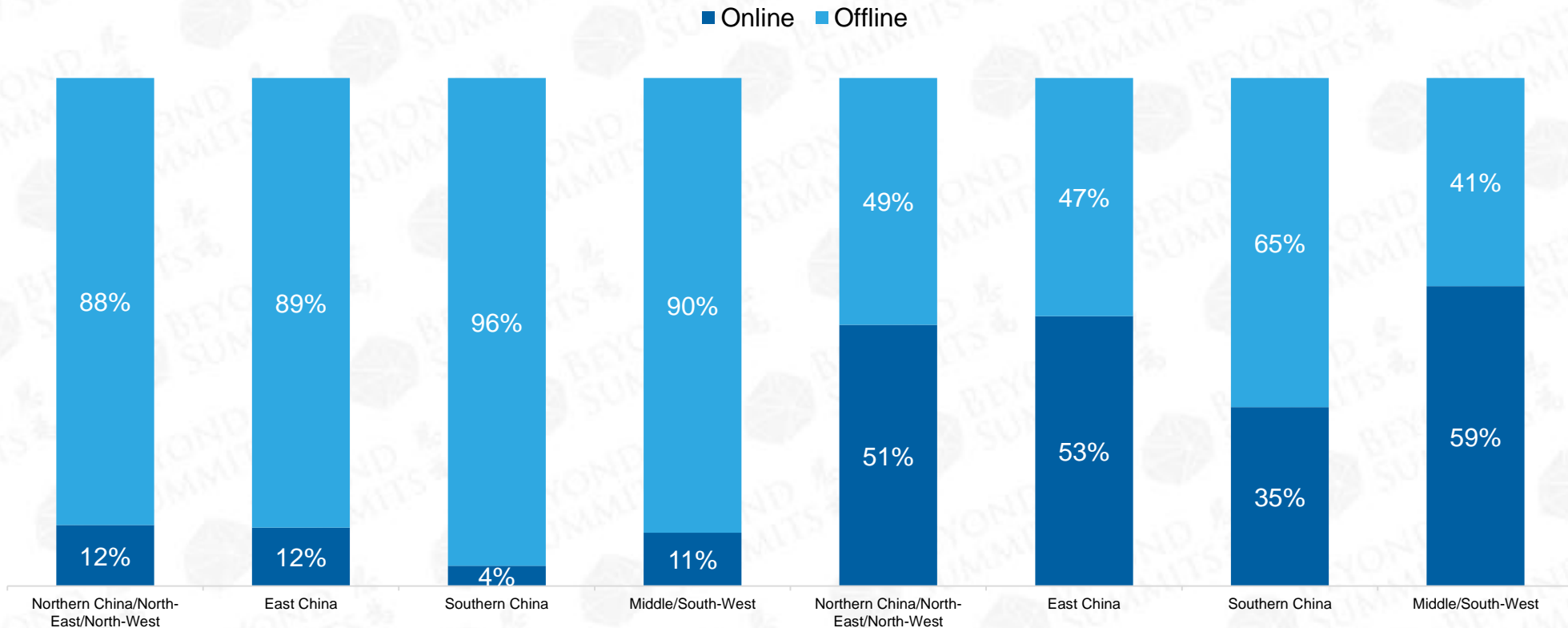


2015 Online Sales Condition for Attractions Across China



Source : Iresearch

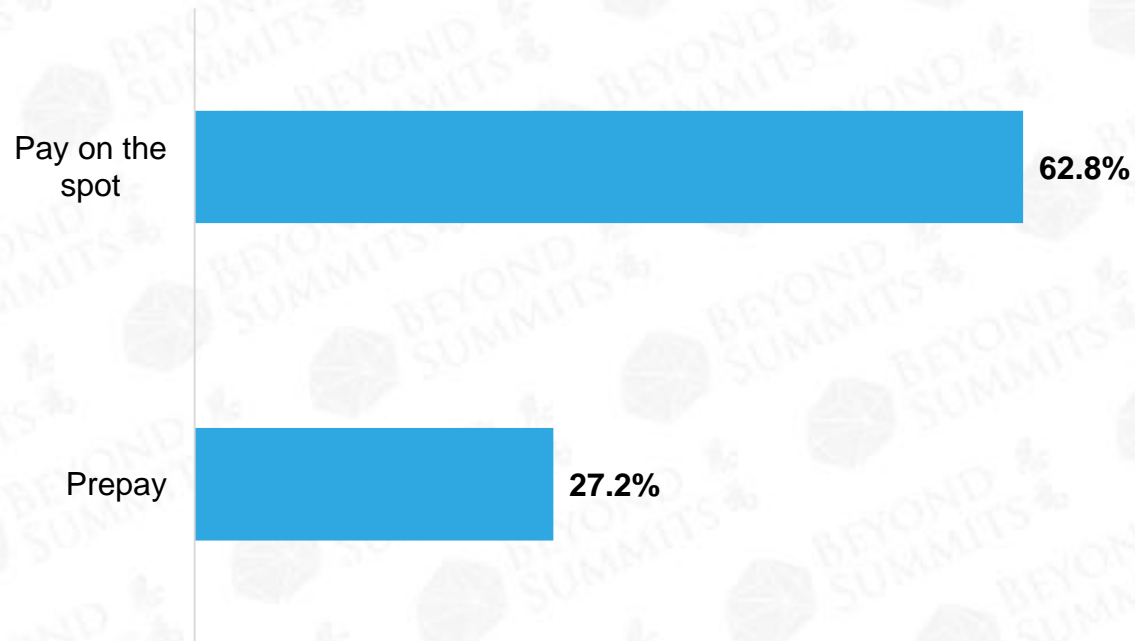
Offline direct sales of scenic spots' products still dominated the market although online sales had been promoted in recent years. In the distribution market for A level spots, online sales took 49.6%. OTA and groupon websites were welcomed by tourists.

2015 Online/Offline Direct Sales**2015 Online/Offline Distribution Sales**

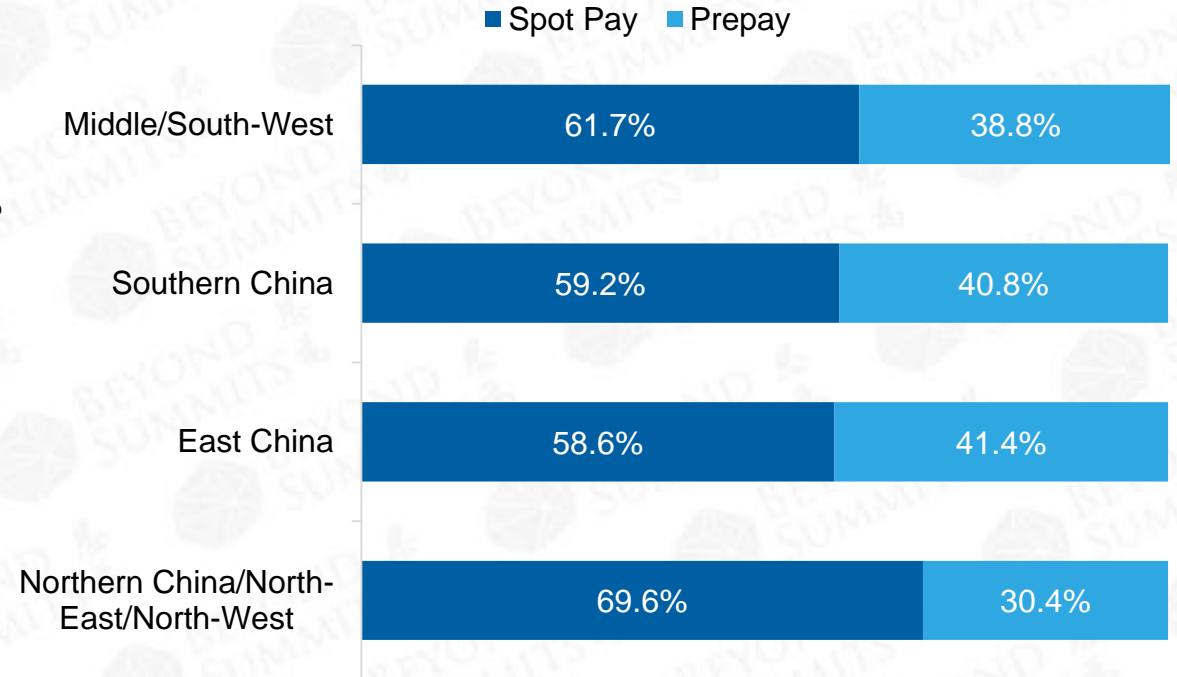
Source : Iresearch

As there were a large number of tourists choosing to directly visit 5A/4A scenic spots, cash payment on the spot accounted for 62.8% compared with online ticket buying. However, East China and Southern China had higher prepayment proportion because of high penetration of mobile payment, abundant online products and more online presence of scenic spots.

**2015 Payment Methods for Purchasing 5A/4A
Scenic Spots' Products**



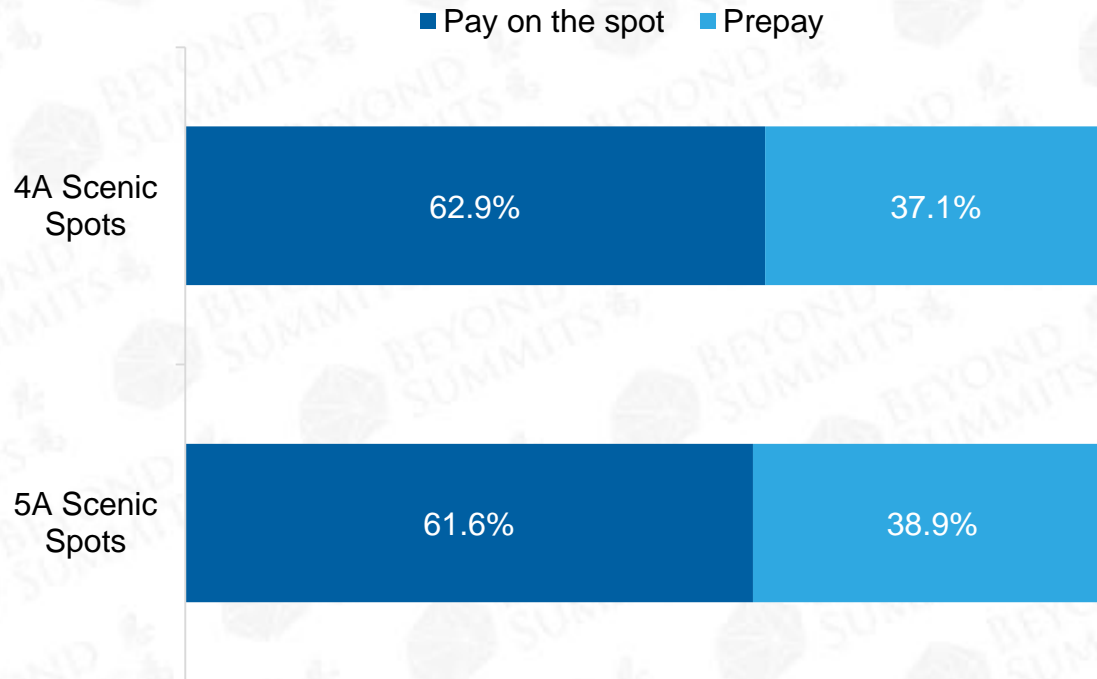
**2015 Payment Methods for Purchasing 5A/4A
Scenic Spots' Products across China**



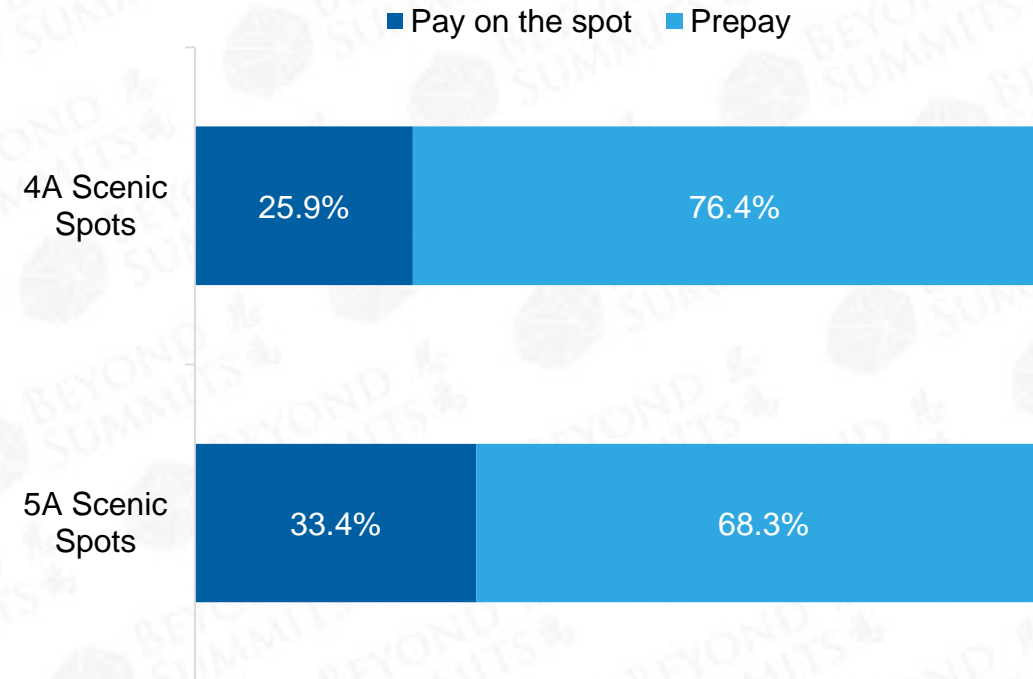
Source : Iresearch

Over 60% of scenic spots' products were purchased by cash, indicating that payment on the spot still dominated compared with online payment. However, in distribution sales, prepayment accounted for higher proportion.

2015 Payment Methods for Purchasing 5A/4A Scenic Spots' Products



2015 Payment Methods in Distribution Sales Market of 5A/4A Scenic Spots

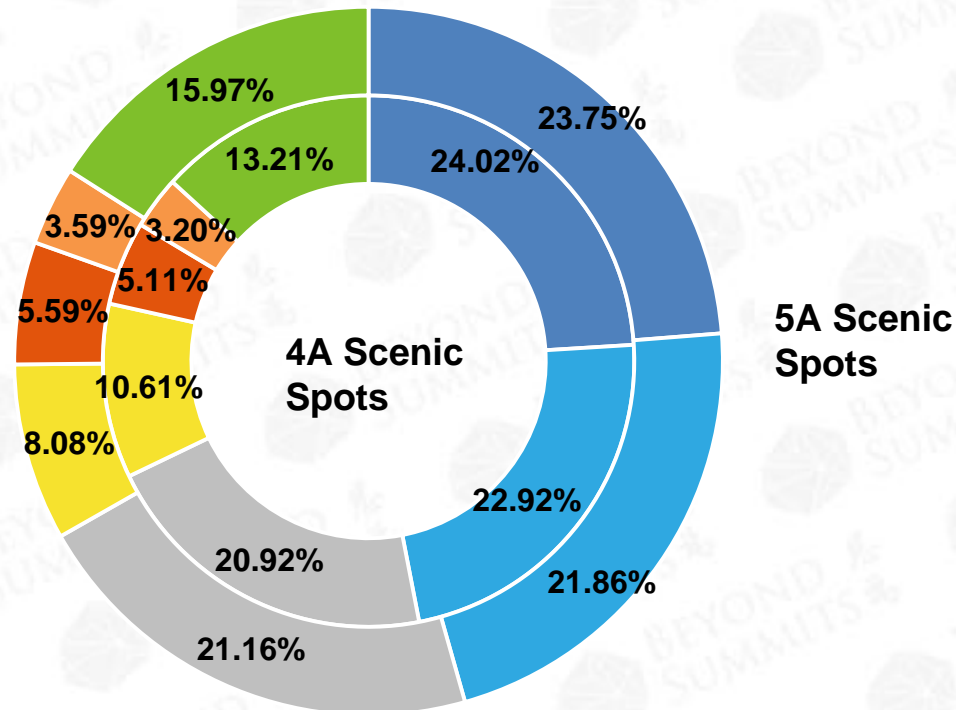


Source : Iresearch

In terms of online sales of 5A/4A scenic spots' products, OTAs like Lvmama, Ctrip and LY performed better and accounted for over 60% of the total online distribution market in 2015. Besides, groupon websites, such as Meituan, have risen in recent years.

Online Distribution Channels for Chinese 4A & 5A Scenic Spots' Products (2015)

■ Lvmama ■ LY ■ Ctrip ■ Meituan ■ Qunar ■ Tuniu ■ Others



Source : Iresearch



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