

Country Profile: China 2017

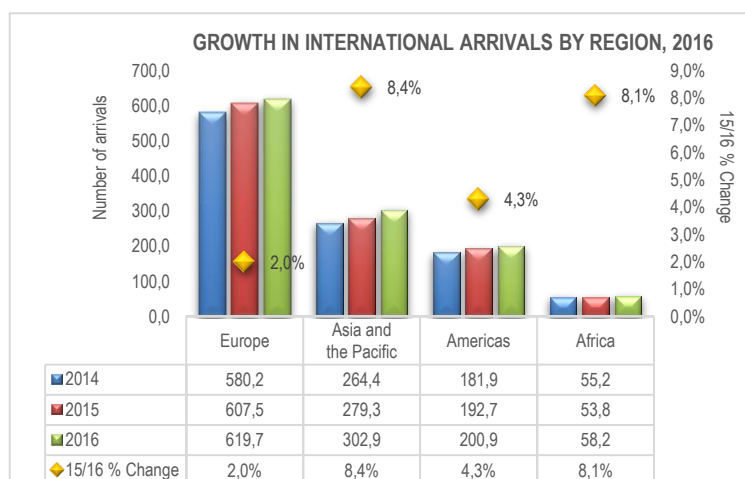
1. Global Tourism Performance of China

The World Tourism Organisation (2016), projects international tourist arrivals worldwide to grow at a rate of 3% to 4% in 2017. Asia and the Pacific (+8%) led growth in international tourist arrivals in 2016. Growth was strong across all four sub-regions, with Oceania receiving 10% more arrivals, South-Asia 9% more and North-East Asia and South-East Asia both 8% more.



US\$261 billion in 2016, increasing by 12% when compared to 2015 (US\$249.8 billion).

The number of outbound travellers from China increased by 6% to 135 million in 2016. The rapid momentum in growth confirms China's position as the top global source market since 2012, following a trend of double-digit growth in tourism expenditure every year since 2004. The positive growth in outbound travel from China benefited many destinations in Asia and the Pacific, most notably Japan, the Republic of Korea and Thailand, but also long-haul destinations such as the United States and several countries in Europe.



China continued to lead international spend, followed by the United States, Germany, United Kingdom and France ranking as the top five global spenders.

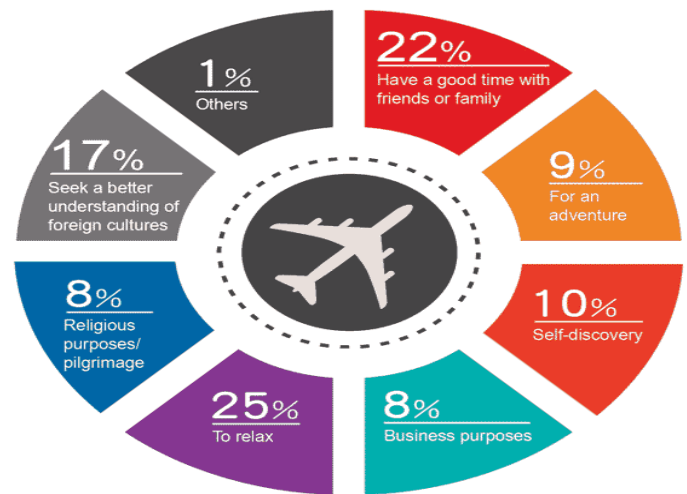
International tourism expenditure for China grew by +11.5%, however the United Kingdom had the highest growth of +13.8% in 2016 when compared to the previous year.

INTERNATIONAL TOURISM EXPENDITURE, 2016			
Ranking	World's Top Tourism Spenders	Expenditure (US\$ billion)	15/16 % Growth in expenditure
1	China	261.1	+11.5%
2	United States	121.5	+7.7%
3	Germany	81.1	+4.9%
4	United Kingdom	63.6	+13.8%
5	France	40.9	+6.7%

1.1 Global Tourism Market Insights on China



Travel motivations



Source: Sabre's Evolving Chinese Traveller Study

Travel planning preferences

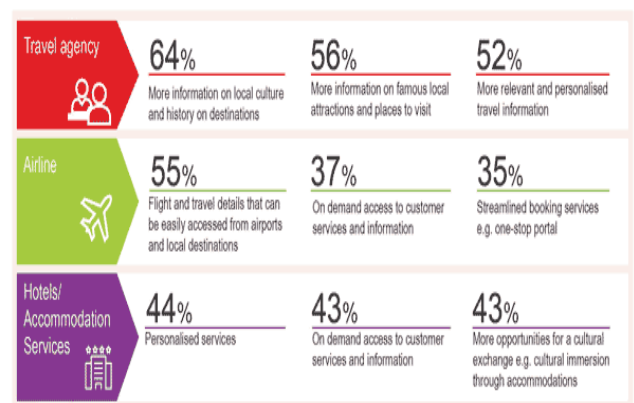


Source: Sabre's Evolving Chinese Traveller Study

One of the main reasons why Chinese tourists travel is to take time off and relax, with the aim of stress free environment where they can have good time with family and friends.

When the Chinese market chooses to travel to a destination they prefer to do the travel planning with family or with friends. However, they also rely on their own knowledge and inputs.

Support and information that respondents wish to receive from travel service providers



Source: Sabre's Evolving Chinese Traveller Study

Tourism market insights on China indicate that this market loves to immerse itself in the local culture and learn about the local people therefore the majority of information they want to get from travel agent is information on the local culture of the destination and the local attractions they can visit.

The Chinese enjoy convenient and easy accessible means of travel planning and details. They also enjoy personalised services and want opportunities to engage in cultural exchanges.



The steady loosening of visa rules for Chinese citizens and increasing flight connections out of China, which were up by 13% will continue to propel tourism growth out of China.

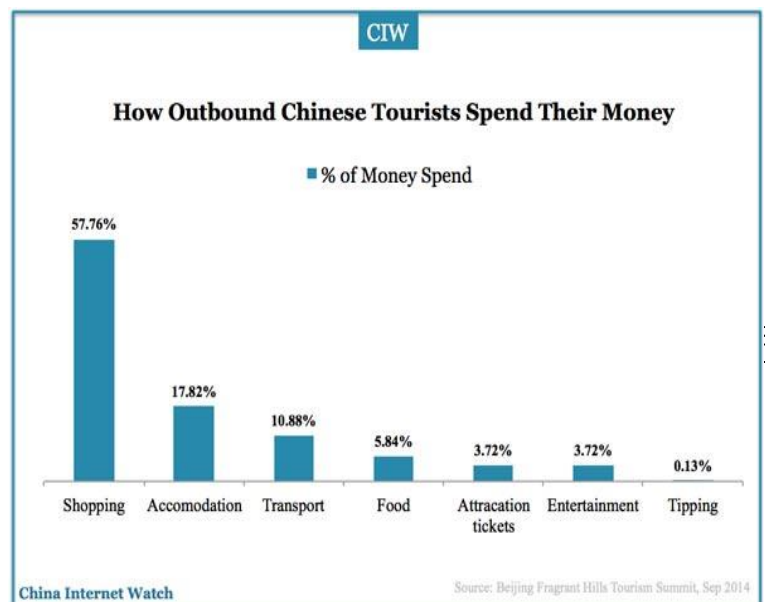
This surge in Chinese outbound travelers are largely driven by flocks of travelers from lower tier cities, mobile millennials the fasts growing spenders in China.

There has been rise in Chinese tourists travelling due to easy access of travel information and major growth in disposable income, which are your millennials as well.

Shopping is very popular amongst the Chinese tourists and this where they prefer to spend most of their money on when visiting a destination. However they do love local souvenirs, clothes and curios produced by the local people.

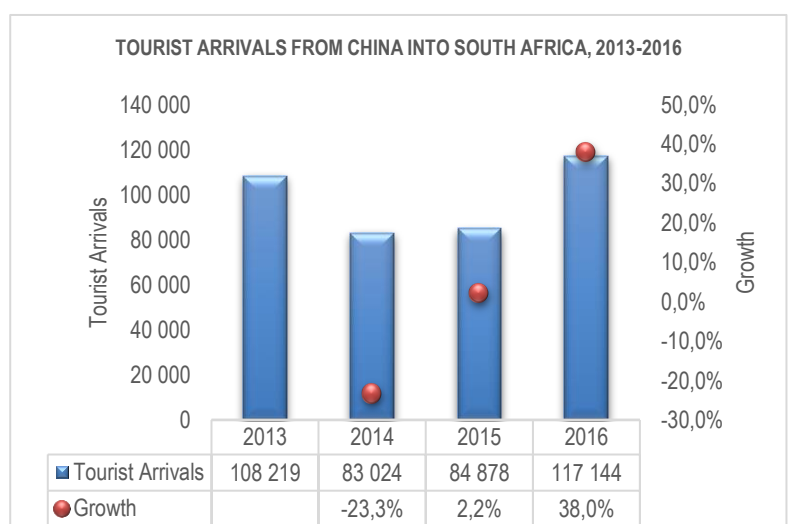
The Chinese are also known as luxury tourists that also spend most of their money on their choice of accommodation, which are your hotels.

They do not spend much on food, attraction tickets and entertainment as part of their holiday so best way to target the Chinese market is through unique shopping experiences and luxurious 5star accommodation.



2. National Tourism Performance of China in South Africa

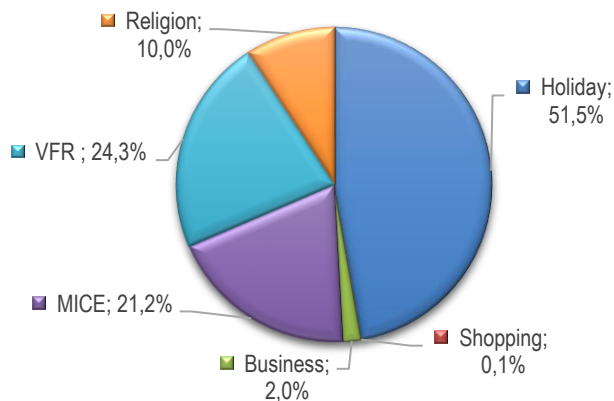
When comparing all four years South Africa received the highest number of tourist arrivals from China in 2016. When analysing the trend over time it can be seen that the arrivals from China are on recovery path by the double digit growth of 38.0% in 2016.



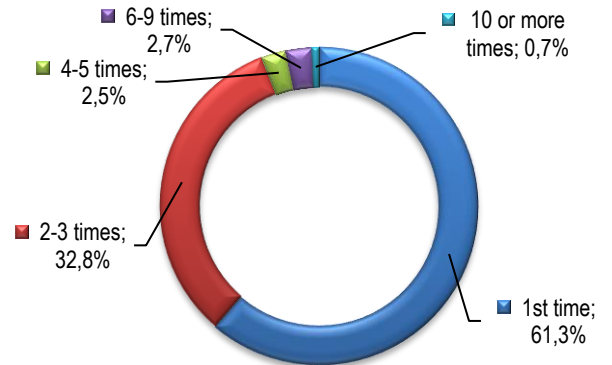
The Chinese tourists love travelling to the country for mostly holiday purposes and to visit family and friends. Chinese tourists also travelled to South Africa for meetings, incentives, conferences and events showing the country as favourable business destination for our Chinese counterparts.

The majority of Chinese tourists visit South Africa mostly once and two to three times. They hardly come back again after their second or third visit to the country. Therefore, your once of visitors a year.

MAIN PURPOSE OF VISIT FOR CHINESE TOURISTS TO SOUTH AFRICA, 2016



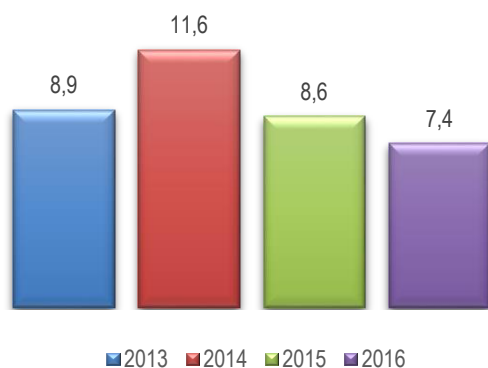
REPEATER RATE OF CHINESE TOURISTS TO SOUTH AFRICA, 2016



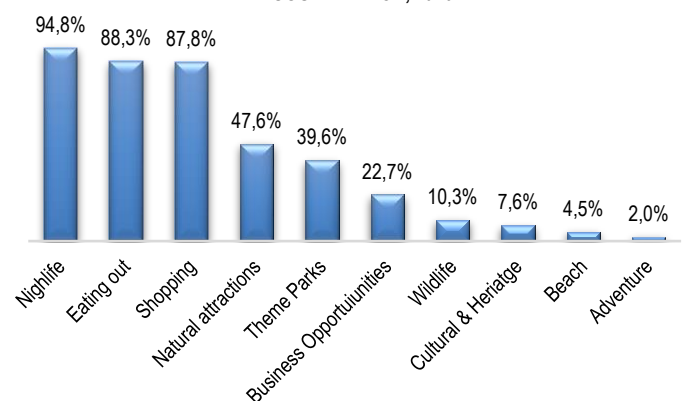
Chinese tourist enjoy staying a week in South Africa enjoy the local culture, gourmet restaurants and natural attractions. Their length of stay in the country however has decreased since 2013 and only increased in the 2014.

South Africa is popular amongst the Chinese tourists for our nightlife, gourmet restaurants and shopping offerings. What is interesting is the growing interest in the business opportunities amongst the Chinese tourists as seen also by their main purpose of visit being MICE travel.

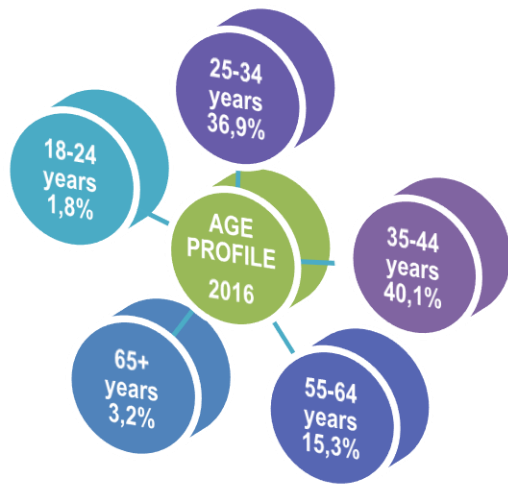
LENGTH OF STAY FOR CHINESE TOURISTS VISITING SOUTH AFRICA, 2016



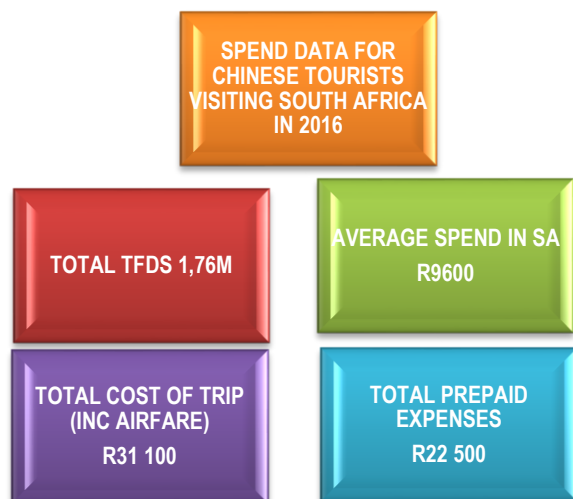
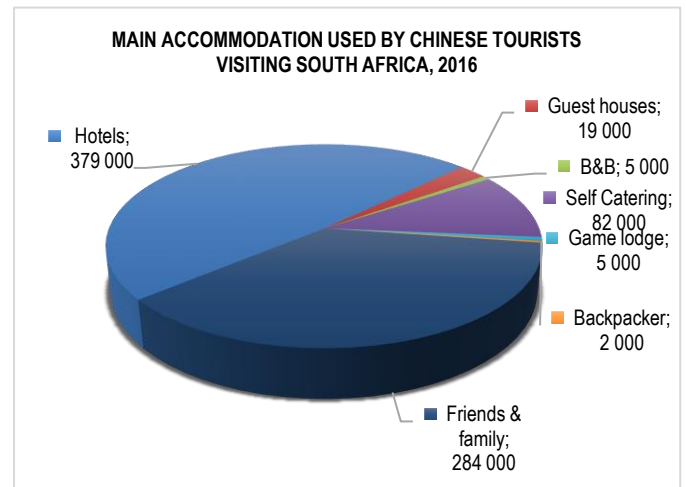
MAIN ACTIVITIES UNDERTAKEN BY CHINESE TOURISTS VISITING SOUTH AFRICA, 2016



The age profile indicates that Chinese tourists indicate that the majority are middle aged group that has the disposable income to travel and enjoy travelling. There is also growing number millennials visiting South Africa between age group 25-35 years.



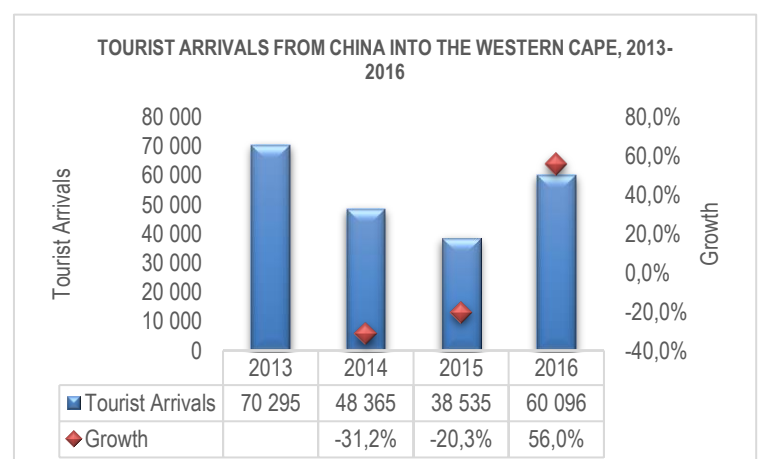
The Chinese tourists prefer to stay at hotels as their main choice of accommodation and with family and friends, because Chinese tourists enjoy travelling and staying with family.



The spend data for Chinese tourists visiting South Africa in 2016 indicate a high average spend and total foreign direct spend, which contributes positively to our economy and therefore favourable market to attract tourists from to our shores.

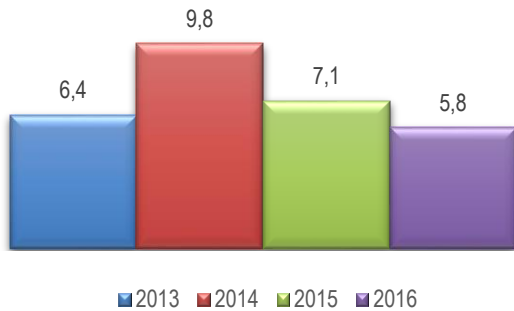
The Western Cape received positive number of tourist's arrivals from China with double digit growth 22.9% since 2013. Tourist's arrivals in 2016 illustrate recovery in tourism from Chinese market to the province.

3. Provincial Tourism Performance of China in the Western Cape



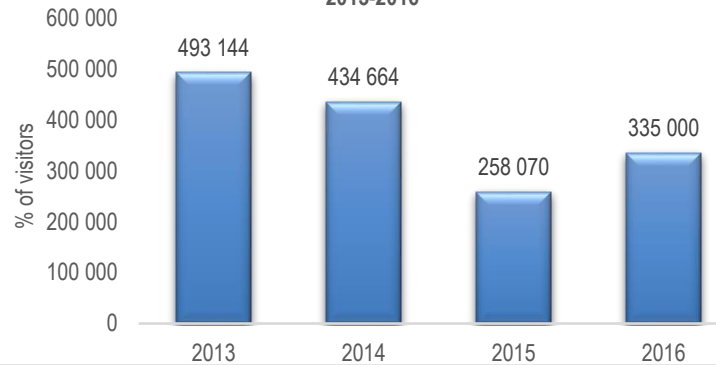
Chinese tourists stay approximately a week in the Western Cape, slightly lower compared to the previous and the lowest length of stay amongst all four years.

LENGTH OF STAY FOR CHINESE TOURISTS VISITING THE WESTERN CAPE, 2013-2016



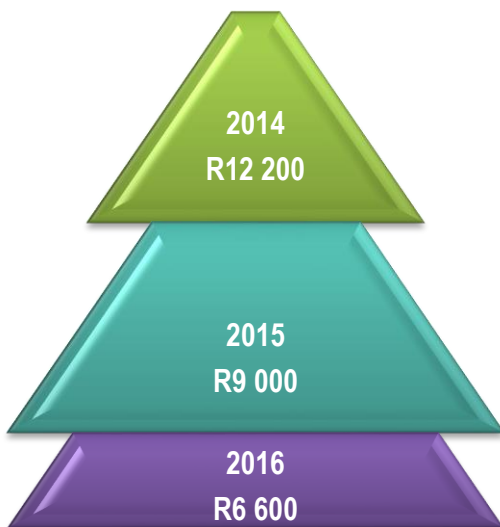
The Western Cape received a positive number of bednights from the Chinese market, which can be seen by choice of accommodation where majority of Chinese tourists prefer to stay at hotels.

BEDNIGHTS OF CHINESE TOURISTS IN THE WESTERN CAPE, 2013-2016

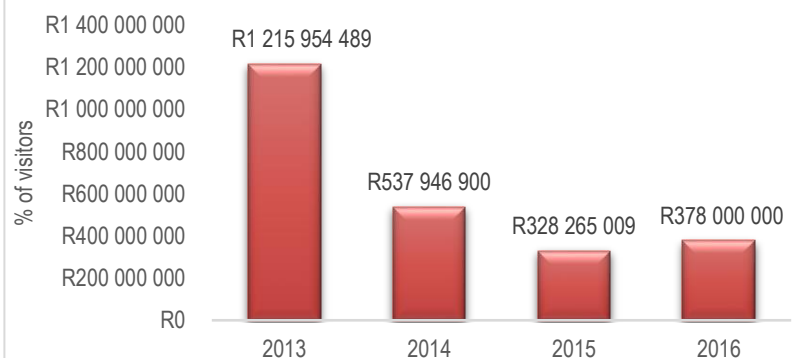


The average spend for Chinese tourists to the province has decreased since 2014, which is concern as the Chinese have the disposable income to spend more.

In 2016, the total foreign direct spend from the Chinese market for the province was highest TFDS since 2013, making positive contribution to the economy of the Western Cape.



TOTAL FOREIGN DIRECT SPEND OF CHINESE TOURISTS IN THE WESTERN CAPE, 2013-2016



Recommendations

- The Chinese love their shopping, cuisine and nightlife, therefore marketers could use these activities to increase travel and spend from the Chinese market.
- Self-discovery seems to be travel motivator for the Chinese market so marketers could use this in marketing and promotional campaigns.
- The Chinese also enjoy different cultural experiences instead Table Mountain as natural attraction marketers could promote and create more local cultural experiences for these tourists and local cuisine.
- Targeting young millennials through social network platforms as they are very tech savvy could also be great idea as growing number of millennials are travelling to the country.
- MICE seems be popular tourism market segment for the Chinese, therefore using more MICE opportunities to target the Chinese market would be great idea to increase travel from this market.

List of sources

- United Nations World Tourism Organisation, 2017
- World Travel Trends Report,2016/2017
- Sabres Evolving Chinese Traveller,2017
- World Travel & Tourism Council Report,2016
- STB Market Insights China,2016
- South African Tourism, 2017