

## Life in the FIRST lane – Chinese travellers swap old habits for new first time experiences

### Latest Hotels.com research reveals Chinese travellers want more of everything – more time traveling, more locations and more exotic experiences

The latest *Chinese International Travel Monitor* research from Hotels.com™ reveals that Chinese travelers have entered a new phase in their evolution. More educated and increasingly sophisticated in their tastes and expectations, they want more of everything – more time traveling, more locations and more exotic experiences.

The rise of the Chinese 'more generation' is a key finding in Hotels.com's sixth annual *Chinese International Travel Monitor report*, which identified:

- Chinese travelers of all age groups are traveling more often and for longer; the number of trips and number of days per trip increased in the past year from 3 to 4 and from 5 to 7 days, respectively.
- Chinese travelers visit multiple cities per trip, with over 80 per cent saying they would not just stay in a single city.
- Chinese travelers spent an average of 28 per cent of their income on international travel in 2016, up 3 per cent on the year before. 90s millennials being the biggest spenders, allocating 35 per cent of their income to travel.
- Even Chinese travelers born in the 1960s are increasingly influenced by free and easy travel trends, choosing much more independent styles of international travel, with 21 per cent of those born in the 1960s saying that they will go backpacking in the future.

Although 82 per cent have visited APAC in the past 12 months, the report shows that Chinese tourists are becoming increasingly interested in long-haul trips to Europe and America.

The number of Chinese travelers visiting these destinations in the past 12 months increased by 25 per cent (Europe) and 11 per cent (America) compared to the previous year. These destinations were particularly popular with travelers born post 80s, 42 per cent visiting Europe and 29 per cent visiting America in the past 12 months. Latin America, while still having a reasonably low occupation rate of Chinese guests, has seen strong growth in the past 12 months, with hoteliers observing a 21% increase in Chinese guests.

#### Top ten destinations Chinese travelers are intending to visit in the next 12 months, according to CITM:

Ranking	Destination	Percentage of Chinese travelers	Ranking in 2016
1	France	18%	9
1	USA	18%	12
3	Australia	16%	1
3	Canada	16%	17
5	Germany	12%	17
6	Maldives	11%	5
7	Japan	10%	2
7	New Zealand	10%	12

7	Singapore	10%	6
7	Thailand	10%	6
7	UK	10%	17

Chinese travelers are becoming more adventurous, with 50 per cent claiming they would be open to solo backpacking experiences, and 37 per cent less inclined to take part in the more culturally traditional group tours style holiday. Similarly, shopping no longer holds the attraction it once did for Chinese travelers, dropping by 35% year-on-year, with dining (55%), rest and relaxation activities (41%) taking the top spots for holiday priorities.

Abhiram Chowdhry, Vice President and Managing Director Asia Pacific and Latin America for the Hotels.com brand says the potential for growth in both the number of Chinese travelers and their spending power is enormous.

“In 2016 there were 122 million outbound Chinese tourists<sup>1</sup> – 4 per cent more than in 2015 and a massive 74 per cent more than in 2011, when we published the first CITM. China is already the largest source of international travelers for many countries – despite the fact only 10 per cent of the population had passports in 2016<sup>2</sup>!

“As the number of Chinese travelers grows, so too do their expectations of new, more adventurous and diverse travel offerings. Hotels.com is proud to be right there alongside this ‘more generation’ of Chinese travelers, fulfilling their travel desires with hundreds of thousands of quality accommodations at the touch of a mobile button.”

Looking at the most in-demand service offerings and travel desires Chinese travelers have when they visit foreign countries:

- Chinese payment facilities at hotels, such as UnionPay, rank second for consumers in importance, yet only 18 per cent of hotels currently offer these facilities. Indeed, only 18 per cent intend to offer them in the next 12 months.
- In-house Mandarin speaking staff was ranked number one by travellers but was low on the list for hoteliers, with only 17 per cent currently offering the service and 17 per cent planning to in the next 12 months.
- On-site Chinese restaurants were ranked fifth by travellers however only 7 per cent of hoteliers currently offer this service. Only 13 per cent intend to provide it in the next 12 months.
- Translated travel guides were ranked number four by travellers but are a low in priority for hoteliers; 18 per cent currently offering this and only 21 per cent planning to in future.

## 2017 travel personas

<b>Detailed Explorers (30%)</b>	<p>Tend to be born in the 70s who have witnessed massive change in China over the past few decades, or energetic post 90s millennials, who consider travel as an essential part of life and a chance to indulge. In the future, they tend to do more specialised tours such as eco tours, adventure tours, backpacking and luxury tours.</p> <p>Spending on travel for this segment increased by 15 per cent in the past 12 months and they allocated 26 per cent of their income to travel. They expect to spend a lot</p>
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<sup>1</sup> China National Tourism Administration

<sup>2</sup> China National Tourism Administration

	more on travel in the future with travel destinations leaning towards long haul destinations in APAC, Europe and America.
<b>Indulgers (9%)</b>	<p>Predominantly post 80s millennials, their preferred way of traveling is theme tours and eco tours.</p> <p>In the past 12 months, this segment spent 27 per cent of their income on travel and their daily travel spend increased by 16 per cent. The majority (60 per cent) expect to spend more on travel in the next 12 months.</p>
<b>Cautious connectors (30%)</b>	<p>Mostly born in the 60s and 70s, they are predominantly from Tier 3 and 4 cities and are very family conscious.</p> <p>In the past 12 months they spent 28 per cent of their income on travel and their average daily spend increased by 9 per cent. More than half (57 per cent) intend to spend more in the next 12 months.</p>
<b>Basic Pleasure Seekers (17%)</b>	Tend to be millennials with a travel spend of 29 per cent of their income. More than half (60 per cent) intend to spend more on travel in the next 12 months.
<b>Experience Seekers (14%)</b>	<p>Predominantly post 80s and 90s millennials from Tier 1 cities. They consider traveling to be a way of escaping reality and pushing their boundaries, preferring travel experiences such as backpacking, theme tours or eco tours.</p> <p>In the past 12 months and they allocated 29 per cent of their income to travel. More than half (61 per cent) intend to spend more on travel in the next 12 months.</p>

The research combines data from more than 3,000 Chinese international travellers and over 3,800 Hotels.com accommodation partners globally with Hotels.com's own data and other third-party research.

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#### Notes to editor

**For more information and a complimentary copy of the report, please contact:**

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#### About the research

The Hotels.com Chinese International Travel Monitor (CITM) analyses research taken directly from both Chinese international travellers and hoteliers worldwide, combined with Hotels.com own proprietary data and other research.

For the travellers' survey, Hotels.com used Ipsos, a world leader in market research, which in April and May 2017 conducted interviews with 3,000 Chinese residents, aged 18–57 years, who had travelled overseas in the past 12 months. A Computer-assisted Web Interviewing technology was used. The representative sample consisted of men and women from a number of cities in all tiers.

The travellers were asked about travel behaviour, booking methods, accommodation choices and many other aspects of their travel.

To complement this, Hotels.com carried out a global survey of more than 3,800 Hotels.com hotel partners, also during May 2017. The 38 participating countries were Argentina, Australia, Brazil, Canada, Colombia, Croatia, Czech Republic, Denmark, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Japan, Malaysia, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Russia, Singapore, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, the UK, the USA and Vietnam.

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\*free night does not include taxes and fees

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