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Preferences and Attitudes of Chinese Outbound Travelers: The Hotel Industry Welcomes a Growing Market Segment

by Peng Liu, Ph.D., Qingqing Lin, Lingqiang Zhou, Ph.D., and Raj Chandnani

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EXECUTIVE SUMMARY

Numbering more than 70 million, the market of outbound Chinese travelers is already large and continues to grow. A survey of Chinese travel operators paints a picture of their clients as a focused group of travelers who seek to experience diverse aspects of the world's cultures on trips while also making the best possible use of the time available. To that end, China's travelers prefer such hotel room amenities as a pot to make hot water for tea, and a double sink with a separate vanity. A buffet breakfast is also high on the list, as another time saver. Most travel organizers book their clients in full-service urban hotels, because the travelers want to be close to shopping, attractions, and activities, while resorts are less popular. Although China's outbound tourists have primarily been visiting nearby Pacific-region destinations, their target destinations are expanding to Europe and the United States, among other locations. While tour package price is always a consideration in deciding where to go, a particular problem for the Chinese travelers is the difficulty of obtaining U.S. visas. While China's travelers would prefer planning their own independent trips, the reality is that package tours are the most practical for the foreseeable future. The world's hotel chains have taken notice of this important market, and have developed concepts and amenities specifically intended to improve the guest experience for Chinese travelers.

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The confluence of a booming economy, appreciation of the yuan, the rise of personal wealth, and a rapidly expanding middle class have encouraged the Chinese to expand their travel horizons. (The Chinese middle class is already larger than the entire population of the U.S.) In 2012, an estimated 80 million Chinese tourists will travel overseas, spending US$80 billion in the process, according to the China National Tourism Agency (CNTA). By 2020, there will be 100 million outbound travelers from China, according to the United Nations World Tourism Organization (UNWTO). The China Outbound Tourism Research Institute (COTRI) confirms that this means that China will be the largest source market for global tourism before 2020.

Although the outbound Chinese market is growing exponentially, it is still evolving and remains relatively young. COTRI notes that approximately 70 percent of all outbound trips from mainland China only happened within the past six years. To further underscore the magnitude of this still emerging market, Dragon Trail articulates "there will be an average of 25 million first-time Chinese travelers every year, or 70,000 every day, for the next 10 years."

Hong Kong, Macau, Japan, and South Korea have been the chief beneficiaries of Chinese outbound travel in recent years, accounting for around 75 percent of arrivals from Mainland China in 2010, according to CNTA, but as we see in this report Chinese travelers are interested in destinations in Europe and North America. The study presented here outlines Chinese travelers' preferences, and documents the efforts being made by hotel to meet the wants and needs of this market.

Multifaceted Consumers

Not surprisingly, the preferences of China's travelers stem from their culture. China is a Confucian society, a mercurial combination of top-down patriarchy and bottom-up social mobility. Its citizens are driven by an ever-present conflict between standing out and fitting it and between ambition and regimentation. The collectivist themes of family and nation are eternal pillars of identity, and the Western concept of individualism doesn't exist.

The Chinese fixation on luxury brands directly correlates to peer recognition. This is the reason that Chinese customers are willing to pay substantial premiums for products that are consumed in public or yield external benefits. This willingness to spend in certain areas is counterbalanced by stratospheric savings rates, conservative buying behavior, and extreme price sensitivity. Wang Xinjun of Ivy Alliance Consulting notes that Chinese travelers indulge on leisure vacations, while leading a rather humble life at home.

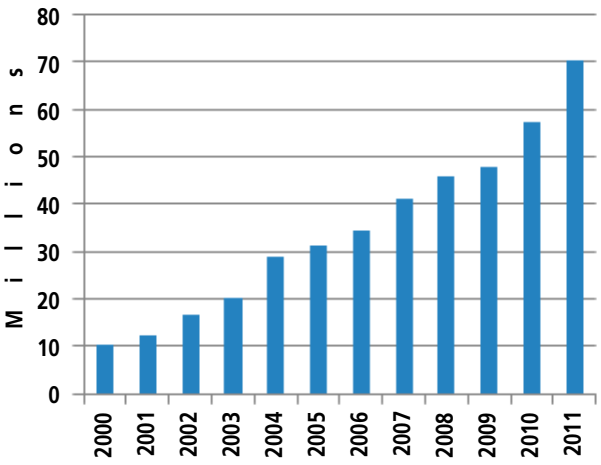
The Millionaire Next Door

China is now home to the largest number of self-made millionaires and billionaires in the world (defined as any individual with personal wealth of RMB 10 million or more), according to The Hurun Report.[1] (At prevailing exchange rates, one renminbi yuan is worth about US16 cents.) The fastest growing numbers of millionaires are in second-, third-, and fourth-tier cities, including Dalian, Chengdu, Xiamen, and Kunming. In keeping with China's remarkable economic growth, this new segment of Chinese consumers has amassed their wealth in a relatively short period—one-half the affluent consumers were not classified as wealthy four years ago. The Hurun Report outlines that affluent Chinese consumers travel abroad three times a year, and that Chinese millionaires take an average of 15 days holiday annually. [2]

This second wave of outbound Chinese tourists is smart, inquisitive, and confident, with aspirations to explore other countries. International travel provides enviable social cachet in China, an indicator of a person's status and

EXHIBIT 1

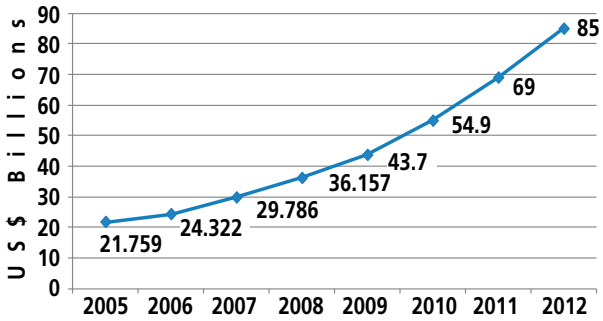
Total number of outbound tourists



Source: China National Tourism Administration

EXHIBIT 2

Aggregate outbound tourist expenditures (US$Billion)



Source: State Administration of Foreign Exchange

[1] Hurun Report. www.hurun.net/hurun/indexen.aspx.

[2] *Ibid.*

EXHIBIT 3

Number of state authorized outbound travel agencies by province

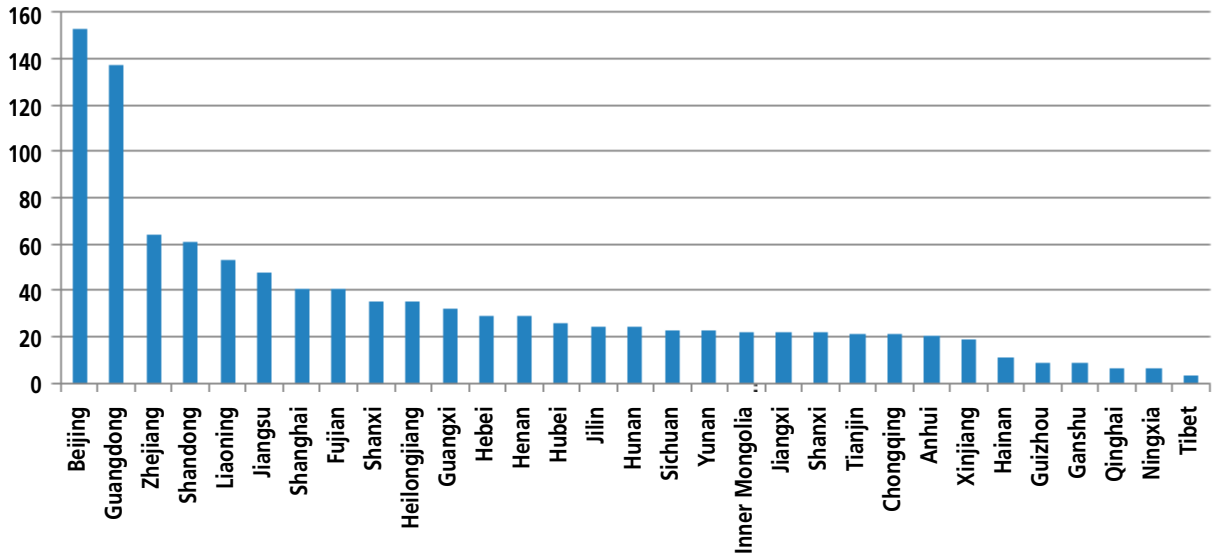
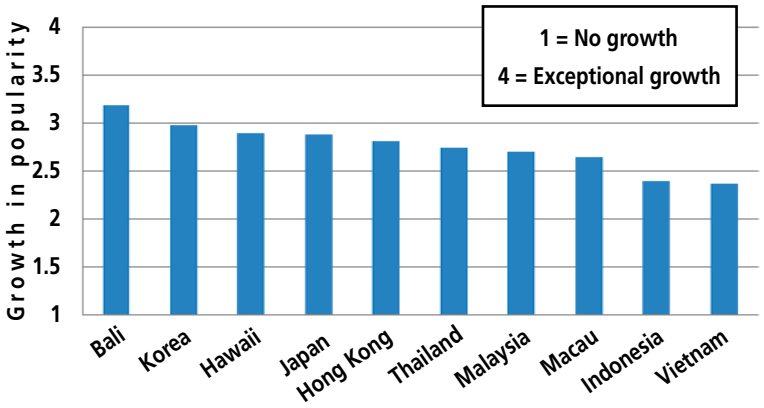


EXHIBIT 4

Growth in popularity of selected Asia-Pacific destinations



affluence. These travelers are seeking leisure trips with authentic experiences, where they can immerse themselves in a new culture and interact with the locals. In that regard they are not exceptionally different from China's existing international travelers, who are the subject of this study.

Consumer Preferences

To date, researchers who have explored Chinese outbound tourists' expectations and preferences have surveyed individual travelers.[3] Studies suggested that Mainland Chinese leisure travelers prefer package travel because of the convenience and reasonable prices.[4] Thus, China's tour operators are in a position to be knowledgeable about the food and accommodations tourists prefer as part of their packages.

For this reason, in this study we interviewed 51 outbound tour operators. We believe that this is the first study to interview tour operators to understand what Chinese package travelers seek. Our

[3] X.R. Li et al, "When East Meets West: An Exploratory Study on Chinese Outbound Tourists' Travel Expectations," *Tourism Management*, Vol. 32, No. 4 (2011), pp. 741-749; S. Kim, Y. Guo, and J. Agrusa, "Preference and Position Analyses of Overseas Destinations by Mainland Chinese Outbound Pleasure Tourists," *Journal of Travel Research*, Vol. 44 (2005), pp. 212-220.

[4] X. Yu and B. Weiler "Mainland Chinese Pleasure Travelers to Australia: A Leisure Behavior Analysis," *Tourism Culture & Communication*, Vol. 3, No. 2 (2001), pp. 81-91.

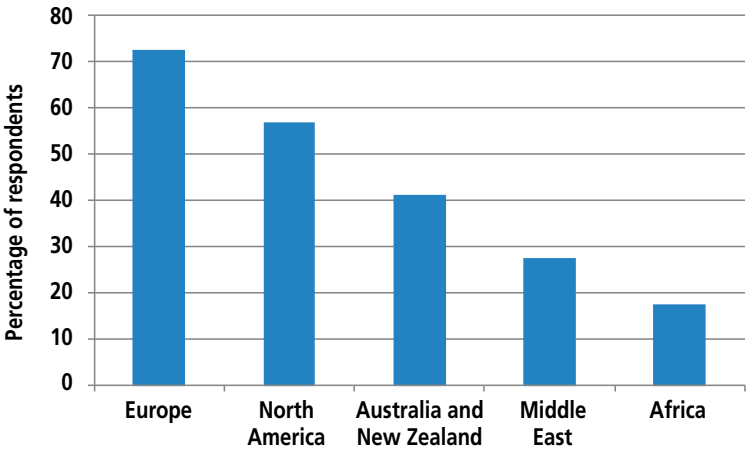
findings are intended to help hotel operators and destination marketers better understand this growing market. We believe this is particularly important because, as we mentioned above, with their newfound wealth Chinese travelers are anticipated to eventually transition away from packages in favor of independent travel.

In conducting this study, we are mindful of the dual nature of personal preferences and motivations, which may be both intrinsic, reflecting individual likes and dislikes, and extrinsic, or socially conditioned.[5] Following the logic of other studies that analyze travelers' preferences to describe and forecast tourist choice behavior,[6] this study can draw inferences from current travel patterns regarding what the travelers in the Chinese outbound market will prefer in terms of destinations.

The preference analysis in the study includes tourists' preference for tourism destinations, preferred activities, type of hotels, and required amenities and facilities. This analysis relates motivational factors to tourists' preference ratings of various destinations and develops an understanding of what factors are driving preferences.

EXHIBIT 5

Destinations projected to grow in popularlity for Chinese overseas travelers



Methodology

We believe that this survey of travel operators is a logical starting point for understanding Chinese travelers' preferences, because most Chinese travelers use organized tour groups. Employing a semi-structured interview format via telephone, we collected qualitative information from 51 of China's leading outbound tour operators in the following areas: **(1)** desired destinations, **(2)** length of vacations, **(3)** seasonality, **(4)** profile of travelers, **(5)** preferred activities, **(6)** hotel preference—type of hotels, guestrooms, bathrooms, food and beverage offerings, amenities, and design features, and **(7)** budget and other matters needing the attention of hotel and destination managers. We also interviewed representatives of major international chains regarding their interactions with this important market segment.

For the tour packagers, we first obtained a list of 1,069 state-authorized outbound travel agencies from the CNTA and then used province location as a clustering mechanism to select 300 of those agencies (Exhibit 3). It is obvious that the number of permitted outbound tour agencies varied greatly between provinces due to regional differences, especially the provincial economy. As shown in Exhibit 3, the largest number of outbound travel agencies are located in Beijing and in Guangdong (China's largest province, located on the coast of the South China Sea).

Once the sample base was set, we commenced calling agencies starting with the oldest, as indicated by their (low) permit number, which gives a general indication of when an agency was granted its permit from the CNTA. We endeavored to contact a person in charge of outbound tourism at each agency. If we could not connect with a representative on the second attempt we removed that agency from our sample. On average, most interviews lasted more than half an hour (the range was about 20 minutes to about 80 minutes). The full survey results are given in the Appendix and the chief conclusions are summarized below.

Findings

Destinations and activities. Using a 5-point scale, we began the interview by asking about the likely growth prospects in the next five years for the following ten destinations in the Asia-Pacific region: Bali, Hawaii, Hong Kong, Indonesia, Japan, Korea, Macau, Malaysia, Thailand, and Vietnam. Respondents did not view any of these ten destinations as particularly popular for future travel (all scores were below 4.0), but the four most popular destinations in this group were Bali, Korea, Hawaii, and Japan (Exhibit 4). Several respondents noted that concerns about political stability affected tours to Thailand, and Japan continues to suffer lingering effects from the 2011 earthquake. On the other hand, South Korea remains a relatively popular destination because of

[5] T. Hsu, Y. Tsai, and H. Wu, "The Preference Analysis for Tourist Choice of Destination: A Case Study of Taiwan," *Tourism Management*, Vol. 30, No. 2 (2009), pp. 288-297; and Li *et al., op. cit*.

[6] Y.K. Suh and L. Mc-Avoy, "Preferences and Trip Expenditures—A Conjoint Analysis of Visitors to Seoul, Korea," *Tourism Management*, Vol. 26 (2005), pp. 325–333; and A. Decrop, "Personal Aspects of Vacationers' Decision-making Processes: An Interpretivist Approach," *Journal of Travel and Tourism Marketing*, Vol. 8, No. 4 (2005), pp. 59–68.

EXHIBIT 6

Growth in popularity of tourism categories for Chinese travelers

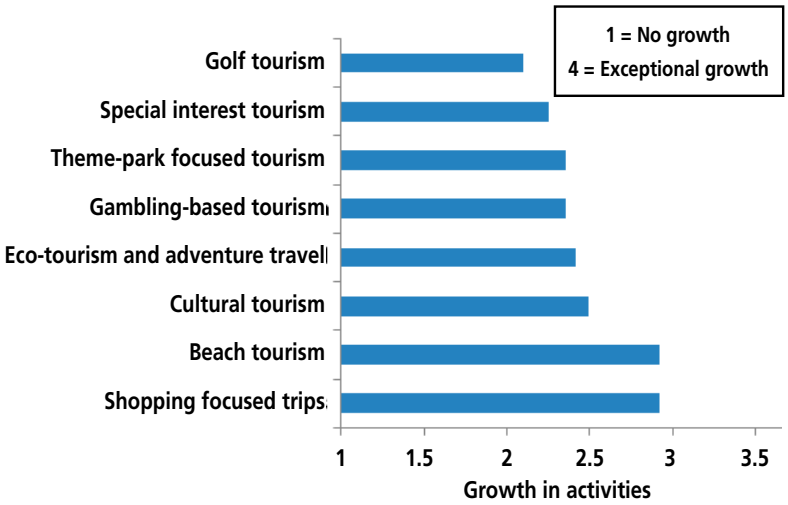
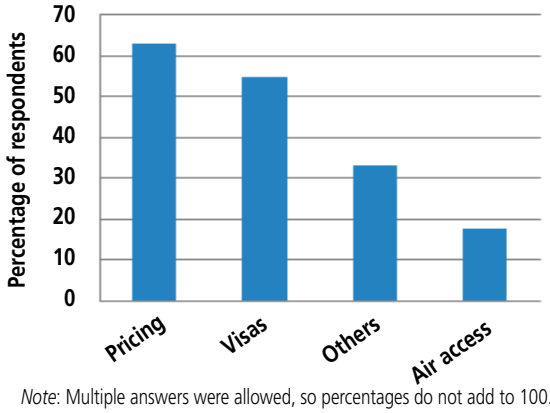


EXHIBIT 7

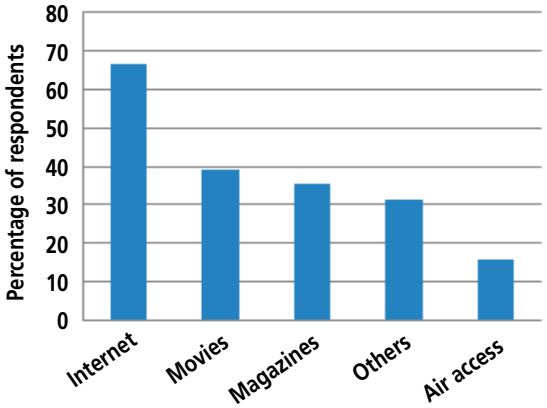
Travel decision factors



Note: Multiple answers were allowed, so percentages do not add to 100.

EXHIBIT 8

Influences on travel decisions



Note: Multiple answers were allowed, so percentages do not add to 100.

the visa waiver program to Jeju Island, and the initiative to issue multiple-entry visas.

When we asked the tour operators which international regions would become increasing popular, nearly three-quarters (72.55%) mentioned Europe (Exhibit 5). Nearly all respondents (94.12%) thought their clients preferred Europe's urban experiences over rural travel. They expected to arrange trips through the countryside only for official business and outdoor enthusiasts. Tour operators also mentioned that Europe is a relatively familiar destination for many Chinese, and it offers attractive shopping activities and charming cities.

Well over half (56.86%) of the respondents indicated that North America would be increasing popular, followed by Australia (37.25%), and the Middle East (27.45) . Despite America's popularity, respondents reported that the biggest obstacle to growth of U.S. tours is arranging visas for visitors, as we discuss in more detail below.

The respondents thought that shopping and beach tourism were the activities that would grow the most over time (2.92 on a 4-point scale, Exhibit 6), followed by cultural tourism (2.49), eco-tourism (2.41), gambling-based tourism (2.35), and theme park focused tourism (2.35). The culture of gift giving motivates Chinese consumers to allocate a substantial amount of their travel budget on shopping. Since luxury products in mainland China are expensive due to taxes and duties, popular buying lists include luxury products, fashion clothing, jewelry, watches, cosmetics, and electronics.

Decision Factors

Package price remains the most influential factor in choosing a package (Exhibit 7), while red tape in obtaining a visa is second, especially for tours to the United States, which require government bonds, visa fees, and mandatory face-to-face interviews. Other factors are the availability of holiday time and stability of the local political situation. In keeping with the importance of price in choosing a destination, nearly two-thirds of the respondents (64.7%), agreed that budget was the primary consideration in planning an outbound tour.

Two-thirds of the respondents cited the internet (66.7%) as the most influential channel relative to destination selection (Exhibit 8). According to Digital Influence Index, China boasts 500 million internet users in China (more than the entire population of Europe), and is one of the most engaged countries on social networks. Social media is perhaps the most influential medium in modern China, ahead of travel agents, newspapers, magazines, or television. Despite the

EXHIBIT 9

Expected travel segment growth for Chinese travelers

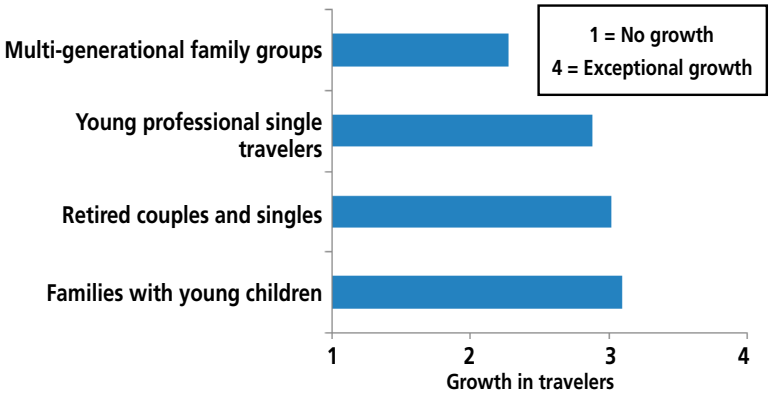
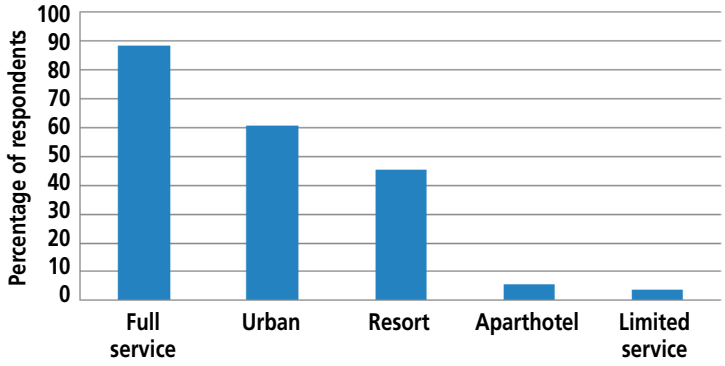


EXHIBIT 10

Chinese travelers' hotel preferences



Note: Multiple answers were allowed, so percentages do not add to 100.

"Great Firewall of China," which blocks popular Western websites, China's own social networking sites such as Sina Wibo (a Chinese version of Twitter); Renren and Kaixin001 (Chinese versions of Facebook); Youku (Chinese version of YouTube); Jiepang (a location-based social media app); and Daodao (Chinese version of TripAdvisor) have exploded in popularity and influence. According to TNS Digital Life Report, Chinese residents trust reviews and insights on social media three times more than a recommendation from friends and relatives, and internet sites directly influence the choice of leisure destinations and booking hotels. One respondent further cited the Chinese romantic comedy *If You Are the One*, in which a lonely businessman finds love on Hokkaido, as promoting a boom in tourism to Japan's remote, northernmost island.

The majority (72.5%) of respondents thought that on average, Chinese travelers would have holidays of longer duration over the next five years. In this regard, they cited to a rising appreciation for exploration, recreation, and relaxation among Chinese travelers. The three Golden Week holidays each year have further stimulated outbound leisure travel, in which those days off are often combined with travelers' annual leave time. In addition to the lunar New Year, the spring Golden Week occurs during the first week of May, and the autumn Golden Week is part of the National Day holiday in October. Additionally, most Chinese workers receive five to fifteen vacation days per year, in addition to a scattering of legal holidays. Although the Golden Weeks are gigantic for travel, some respondents observed that price-sensitive tourists deliberately avoid traveling during Golden Week holidays to avoid potentially inflated package prices.

Travel Patterns

Asked to indicate the future growth in different travel segments (on a 4-point scale, Exhibit 9), the segment where respondents expected the strongest growth was families with young children (3.1), closely followed by retired couples and singles (3.0) and young professional single travelers (2.9). The least growth in travelers was multi-generational family groups (2.3).

The respondents stated that group travel would continue to dominate the outbound tourism market for the foreseeable future, particularly as long as language remains a barrier for independent travelers. In a separate survey (now in progress), the travelers themselves indicated a desire to travel more on their own and customize their leisure travel itineraries based on their interests. Therefore, we anticipate that an increasing number of Chinese visitors will be likely to travel independently in the future, and not necessarily as part of formal tour groups.

Accommodation and Food

In examining these travelers' preferences for hotel amenities and food service, we see that Chinese travelers seek to make the most of time on their trip. Chinese travelers have no specific hotel preference, but they do like touches that reflect their cultural values. They prefer full-service hotels in center cities, in keeping with the tour operators' observation that their clients prefer an urban experience (Exhibit 10). Also as a matter of efficiency, the tour groups do want a hotel that serves breakfast. Since "travelers prefer to stay where they are free to shop and feel close to local life," as several respondents said, urban hotels were more popular (60.78%) than resort hotels (45.10%), and agencies tended to choose full service

EXHIBIT 11

Chinese travelers' hotel room amenity preferences

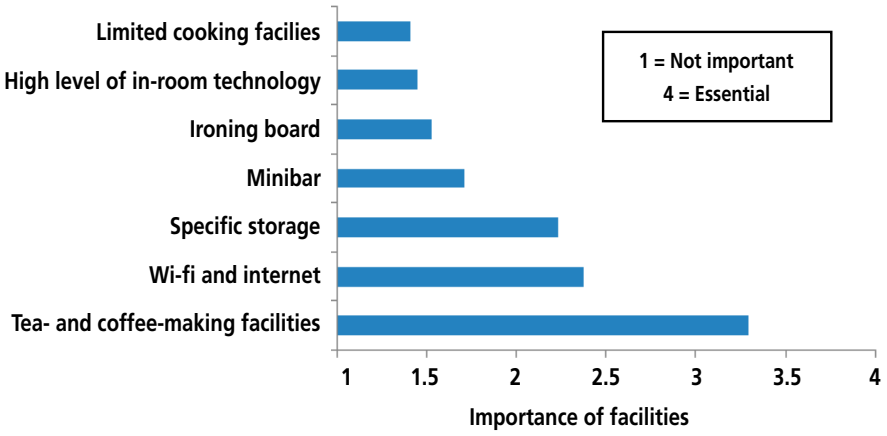
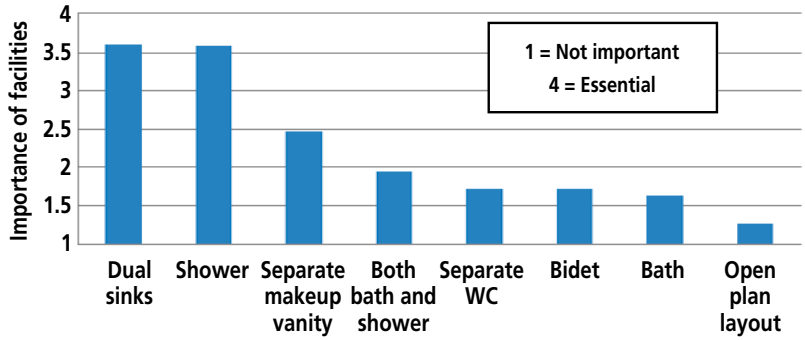


EXHIBIT 12

Chinese travelers' hotel bathroom amenity preferences



hotels (88.24%) to ensure needed services. One respondent observed that "only as a last resort do they arrange resort hotels for customers."

Considering amenities in the rooms themselves, we again see the influence of culture and time efficiency (Exhibit 11). Tea and coffee making facilities were most important (3.29 out of 4), followed by wi-fi and internet availability (2.37). Dedicated storage (2.23) was third. Although rooms must of course be clean and safe, Chinese tourists are not focused on cooking facilities, TV, or other in-room technology. These tourists normally do not have time or energy to cook or watch television programs.

The focus on efficiency extends to bathroom facilities (Exhibit 12). The top three features are: **(1)** dual sinks (3.61), **(2)** a shower (3.59), and **(3)** a separate make-up vanity (2.47), with the idea of reducing time waiting for bathroom facilities. Besides the facilities listed above, respondents also indicated that a hair drier and non-slip mat were required.

Although resorts are not the top destination, we asked the tour operators to evaluate resort amenities (Exhibit 13). Topping the list was a swimming pool (3.02 on a 4-point scale), followed by a business center (2.78), spa facilities (2.76), concierge service (2.59), and fitness facilities (2.57). Swimming is extremely popular in China, but public swimming facilities are still relatively sparse. Thus, easy access to a swimming pool is an attractive feature for a hotel. Four Seasons Hotels and Resorts, for instance, have identified recreational amenities as a competitive point of differentiation, with indoor swimming pools and efficient *à la carte* spa treatments, including Chinese modalities, foot treatments, and salon services to attract Chinese travelers.

Our questions about design preferences brought out another important facet regarding Chinese travelers: they seek to truly experience a destination. The tour operators said that their clients had no particular hotel design preferences, with one exception. The travelers were not interested in hotels designed in the traditional Chinese style. Said one respondent, the Chinese travelers, "wanted to see something different from that in China, experience a different culture, and see local life."

The focus on time and efficiency surfaced again in the discussion of preferred types of restaurants, where buffet-style dining stood out (2.56), followed by formal dining (2.06) and barbeque (1.89) as a distant third (Exhibit 14). Although buffets are popular for breakfast, these travelers want to experience the local cuisine for at least one of their daily meals. Perhaps the only cultural design point that Chinese travelers bring with them is a preference for round tables, which gives everyone an equally prestigious seat and easy access to shared food.

Beyond that, bars, entertainment, and celebrity chefs received only moderate support. The travel packagers thought their customers

EXHIBIT 13

Chinese travelers' leisure resort preferences

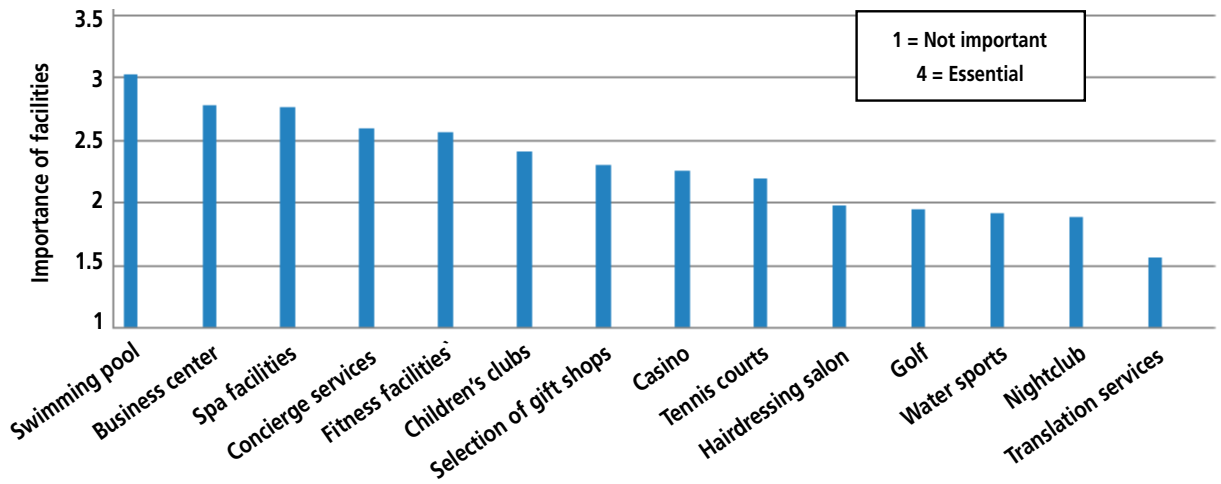
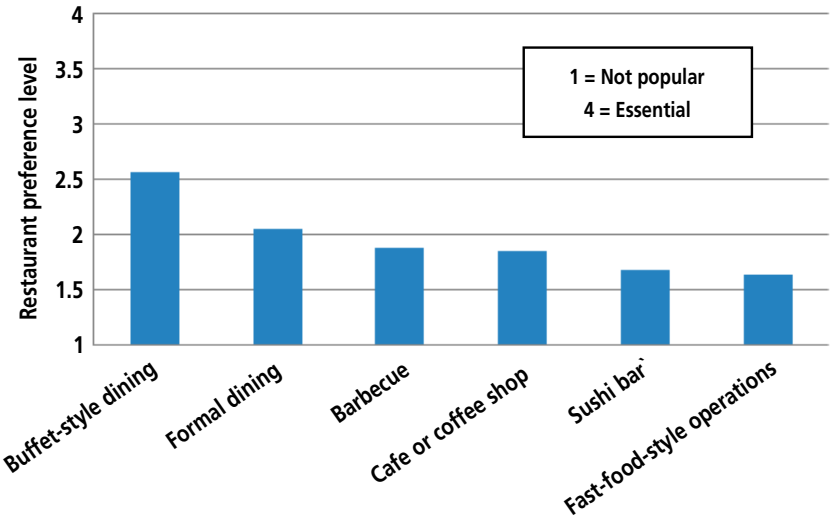


EXHIBIT 14

Chinese travelers' restaurant preferences



had little interest in dining with celebrity or signature chefs (74.51% of the respondents said no interest) due to considerations of price and uncertain popularity for one chef or another. Bars with live entertainment were relatively the most popular of nightlife options (2.47), but it was obvious that the Chinese travelers really weren't looking for bars and entertainment (all rated below 2.5, Exhibit 15). Not surprisingly, then (as shown in Exhibit 16), Chinese travelers allocate most of their travel budget to lodging and transportation and less on meals and entertainment.[7]

Application and Implementation in the Hospitality Industry

A recent study by The Boston Consulting Group revealed that 95 percent of Chinese tourists are unsatisfied with current travel products and services. Although these travelers seek to learn about the cultures they visit, BCG has identified a fundamental shift among Chinese travelers: Western practices, amenities, and service culture may no longer be imposed on this group. Instead, the Chinese market requires thoughtful adaptation, new forms of marketing and differentiated means of fulfillment. Chinese consumers actively prefer Western brands over their domestic competitors, but their tastes and preferences still remain distinctly Chinese.[8]

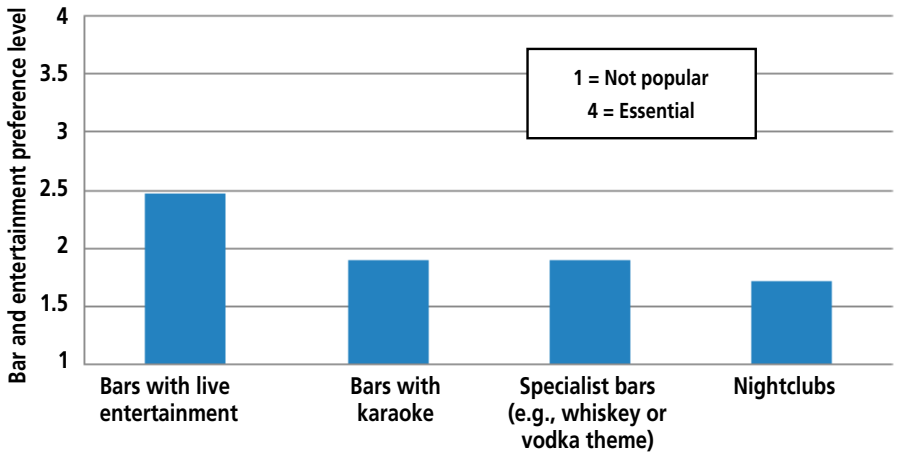
Recognizing this evolution, international hotel chains have launched programs and initia-

[7] We did not ask about shopping in this survey, but in another survey currently in progress, shopping is important, especially for luxury products.

[8] Boston Consulting Group, March 2011, "Taking Off: Travel and Tourism in China and Beyond".

EXHIBIT 15

Chinese travelers' bar and entertainment preferences



tives designed for Chinese tourists, particularly independent travelers. We offer some examples in this section from the interviews we conducted with international hotel chains based in the U.S.

Hilton. Hilton Worldwide launched Huanying in August 2011. Inspired by the Chinese word for "welcome," this program has been successfully implemented at 70 properties in 23 countries where there is a critical mass of inbound Chinese travelers. To convey a warm, authentic welcome, Huanying highlights three key touch points: arrival, guestroom, and breakfast experiences. Huanying includes fluent Mandarin-speaking team members; guestroom amenities such as a selection of Chinese teas and tea kettles, slippers, and a dedicated television channel with Chinese programming; and breakfast items that include congee, dim sum,[9] fried rice, and noodles. As the program has evolved, it features Mandarin orange trees in hotel lobbies during Chinese New Year, along with signature red envelopes and bonus Hilton HHonors points for Chinese loyalty guests. Andrew Flack, Hilton's vice president of global brand marketing, affirmed the success of Huanying, which has yielded a 120-percent annual growth in Chinese source demand, or nearly double organic growth, at the participating properties since the launch. Moreover, the Chinese guests stay longer and spend more relative to travelers from other international markets.

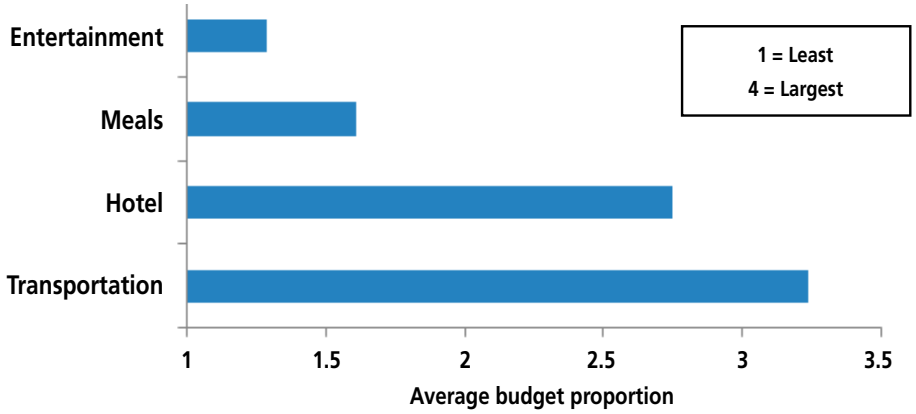
Starwood. Starwood Hotels and Resorts debuted the Starwood Personalized Travel Program in June 2011, a series of initiatives that includes an in-house Chinese specialist to assist with translation and guest requests; in-room amenities that include tea kettles, Chinese tea, instant noodles, slippers, and toiletries; welcome packets and menus in Mandarin; and familiar foods such as congee, noodles, and rice. Starwood has also opened a customer contact center in Guangzhou, which employs associates fluent in different Chinese dialects to further accommodate growing demand. Qian Jin, president of Greater China, notes that these programs have yielded a 35 percent increase in Starwood Preferred Guests (SPG) from China. Moreover, 60 percent of guests in Starwood's China hotels are domestic travelers, and 75 percent of Starwood's guests in secondary and emerging cities in China are domestic travelers. Specific positive feedback from guests include the time savings and corresponding reduced apprehension about food and language, especially after long-haul trips, and the ability to redeem SPG points for aspirational vacations.

Four Seasons. In addition to the features we mentioned above, Four Seasons Hotels and Resorts offers multi-lingual staff at many of their hotels, including Mandarin speakers. Four Seasons also launched a Chinese language website, Life by Four Seasons, which highlights the Chinese aspirations of luxury, romance, and gourmet dining. China UnionPay is also integrated into the booking engine to facilitate online payments. Peter Weber, regional vice president, shared that the expansive and elegant lobby lounges at their five properties in mainland China have been effective links to the Chinese community, where locals conduct business with international guests, enjoy traditional tea service, and are exposed to the brand.

[9] Dim Sum is a Cantonese style breakfast.

EXHIBIT 16

Chinese travelers' typical budget categories



InterContinental. Earlier this year, InterContinental Hotels Group (IHG) unveiled Hualuxe Hotels and Resorts, the first international brand designed specifically for the Chinese traveler. Hua translates to "majestic China" and luxe represents luxury. With nearly 30 years of operating hotels in China, IHG will have some 100,000 guest rooms in China, according to Keith Barr, chief executive of Greater China. IHG treats China as a stand-alone business region separate from other Asia Pacific destinations. The firm's development pipeline includes twenty letters of intent and anticipates a presence in 100 cities across China in the next twenty years, along with extending the brand overseas to gateway markets that appeal to Chinese travelers.

Hualuxe's distinctive service standards will include a signature greeting fitting Chinese etiquette, a gracious VIP welcome offering, and authentic Chinese hospitality throughout. Business delegation members are recognized by status and seniority, through prioritized check-in, dining orders, and room placement on higher floors by rank within the group. The Chinese values of balance and harmony are highlighted with garden views into the lobby, along with natural light to provide a relief to urbanization. Guestroom designs will be inspired by contemporary Chinese design, with Chinese art, premium tea ware, and relaxing bathroom retreats. To promote a tea culture, lobbies will feature a traditional Tea House (rather than a bar or lobby lounge) where guests can enjoy a wide selection of high quality teas, in addition to alcoholic selections. The food and beverage offering also includes an indulgent Noodle House, which will be open late night, and provide high-quality quick meals as an alternative to room service. The cultural tradition of conducting business and entertaining will be accommodated in dedicated business suites that can accommodate meetings, casual seating, formal dining, entertaining, and recreational activities.

A Growing Market Segment

Without doubt, the international hotel industry has recognized the importance of long-haul Chinese outbound travelers and have noted their preferences. Based on the intimate knowledge of Chinese tour operators, their clients seek to travel to North America and Europe, and shopping is the single most popular leisure activity. Price and time were two major concerns for Chinese outbound tourists when traveling abroad, but U.S. officials should take note of the barrier presented by visa procedures. Not surprisingly, internet and social media inspire and influence decisions regarding destination choice. As for travel segments, families with young children, retired couples, and singles will see the greatest growth. The tour operators anticipate that organized tours will remain the dominant mode of travel for at least the next five years, although we see the stirrings of interest in independent travel. According to respondents, full-service-hotels in urban areas are the most preferred type of hotel. Chinese tourists want the ability to make tea in their hotel room, and they appreciate bathrooms with dual sinks and a shower. Specific design aesthetics and entertainment options are not as important to these travelers, but they want to experience local cuisines, balanced with Chinese menu options.

Although Chinese outbound tourism is still in its infancy, the market is growing rapidly into a large, sophisticated group of consumers that is having ripple effects on hospitality industry around the world. When hosting Chinese guests, understanding their preferences and satisfying these needs will require a combination of insight into cross cultural behaviors, understanding of customs, and common hospitality. Hence, Western practitioners, to be successful competitors for this market, should be well-prepared to accommodate the basic needs of Chinese tourists and to offer social and psychological familiarity and comfort. ■

Appendix

This appendix presents the detailed responses of China's package-tour firms to selected questions from the survey regarding their traveling clients. A total of 51 firms responded to the questionnaire. Column totals do not add to 100 percent because more than one answer was permitted on all questions. For further information on these data, please contact Peng Liu: Statler Hall, Cornell University, Ithaca, NY 14853 or Peng.Liu@cornell.edu.

Desired Destinations

1. Over the next five years which destinations in Asia do you see as growing in popularity?

Destination	No growth	Limited growth	Strong growth	Exceptional growth
Hong Kong	4(7.84%)	6(11.76%)	36(70.59%)	5(9.8%)
Macau	5(9.8%)	9(17.65%)	36(70.59%)	1(1.96%)
Thailand	2(3.92%)	16(31.37%)	26(50.98%)	7(13.73%)
Indonesia	8(15.69%)	20(39.22%)	18(35.29%)	5(9.8%)
Malaysia	3(5.88%)	12(23.53%)	33(64.71%)	3(5.88%)
Vietnam	5(9.8%)	25(49.02%)	18(35.29%)	3(5.88%)
Bali	1(1.96%)	6(11.76%)	26(50.98%)	18(35.29%)
Korea	0(0%)	11(21.57%)	30(58.82%)	10(19.61%)
Japan	2(3.92%)	12(23.53%)	27(52.94%)	10(19.61%)
Hawaii	1(1.96%)	14(27.45%)	25(49.02%)	11(21.57%)

2. Over the next five years which international destinations do you see as growing in popularity?

Destination	Number	Percentage
Europe	37	72.55%
North America	29	56.86%
Africa	9	17.65%
Middle East	14	27.45%
Australia	19	37.25%
New Zealand	2	3.92%

3. Specifically, what cities are most popular in North America?

City	Number	Percentage
New York	25	49.02%
Washington	16	31.37%
Others	15	29.41%
Las Vegas	14	27.45%
Hawaii	14	27.45%
Los Angeles	10	19.61%
San Francisco	10	19.61%
Toronto	8	15.69%
Vancouver	**6**	**11.76%**

4. In Europe, is the aspiration to experience a mix of city or urban experiences or to enjoy a mix of urban and countryside?

Option	Number	Percentage
A mix of city or urban experiences	48	94.12%
A mix of urban and countryside	3	5.88%

5. What influences travel decisions?

Factor	Number	Percentage
Ease of air access	9	17.65%
Ease of obtaining visas	28	54.90%
Package pricing	32	62.75%
Others	17	33.33%

6. What (medium or source) inspires destination choice?

Source	Number	Percentage
Movies	20	39.22%
Celebrities	8	15.69%
Internet	34	66.67%
Magazines	18	35.29%
Others	16	31.37%

Length of Vacations

7. For regional holidays, what is the average length of stay?

Length	Number	Percentage
<3 days	0	0.00%
3-4 days	3	5.88%
5-6 days	34	66.67%
7-8 days	20	39.22%
>8 days	2	3.92%

8. For international (long-haul) holidays, what is the average length of stay?

Length	Number	Percentage
<10 days	10	19.61%
10-12 days	35	68.63%
13-15 days	22	43.14%
>15 days	2	3.92%

9. What is the trend in vacation lengths—longer holidays or shorter?

Trend	Number	Percentage
Longer	37	72.55%
Shorter	4	7.84%
Not Sure	10	19.61%

10. Is vacation length influenced by available time or budget?

Factor	Number	Percentage
Time	11	21.57%
Budget	33	64.71%
Both time and budget	7	13.73%

Seasonality

11. Which are the peak months for travel?

Time Period	Number	Percentage
January	25	49.02%
February	20	39.22%
March	8	15.69%
April	13	25.49%
May	16	31.37%
June	10	19.61%
July	30	58.82%
August	28	54.90%
September	16	31.37%
October	26	50.98%
November	12	23.53%
December	9	17.65%
Summer break	16	31.37%
Chinese New Year	14	27.45%
National Day	10	19.61%
Spring	6	11.76%
Fall	6	11.76%
Winter break	6	11.76%
May Day	4	7.84%
Winter	2	3.92%
Summer	1	1.96%

12. What is the low season for travel?

Month	Number	Percentage
January	12	23.53%
February	13	25.49%
March	17	33.33%
April	12	23.53%
May	5	9.80%
June	5	9.80%
July	2	3.92%
August	3	5.88%
September	4	7.84%
October	2	3.92%
November	20	39.22%
December	16	31.37%
After Chinese New Year	4	7.84%
After National Day	2	3.92%

Profile of Travelers

13. Where do you see the strongest growth in travelers over the next five years?

Profile	No growth	Limited growth	Strong growth	Exceptional growth
Young professional single travelers	3(5.88%)	13(25.49%)	22(43.14%)	13(25.49%)
Families with young children	1(1.96%)	7(13.73%)	29(56.86%)	14(27.45%)
Multi-generational family groups	8(15.69%)	23(45.1%)	18(35.29%)	2(3.92%)
Retired couples and singles	2(3.92%)	12(23.53%)	20(39.22%)	17(33.33%)

14. Do you believe group organised travel will continue to dominate or more bespoke independent travel will grow in next five years?

Option	Number	Percentage
Group organised travel will grow	32	62.75%
Bespoke independent travel will grow	19	37.25%

Preferred Activities

15. Which areas of activity do you anticipate strong growth over the next five years?

Profile	No growth	Limited growth	Strong growth	Exceptional growth
Cultural tourism—exploring historic cities and buildings	5(9.8%)	19(37.25%)	24(47.06%)	3(5.88%)
Gambling based tourism	7(13.73%)	24(47.06%)	15(29.41%)	5(9.8%)
Shopping focused trips	4(7.84%)	11(21.57%)	21(41.18%)	15(29.41%)
Special interest tourism—wine, political history, art	9(17.65%)	24(47.06%)	14(27.45%)	4(7.84%)
Theme park focused tourism	8(15.69%)	20(39.22%)	20(39.22%)	3(5.88%)
Beach tourism	1(1.96%)	17(33.33%)	18(35.29%)	15(29.41%)
Golf tourism	11(21.57%)	28(54.9%)	8(15.69%)	4(7.84%)
Eco-tourism and adventure travel	7(13.73%)	23(45.1%)	14(27.45%)	7(13.73%)

16. Are there any other activities, excursions, or interest areas where you see potential growth?

Activities	Number	Percent
Honeymoon	5	9.80%
Award tour	5	9.80%
Parent-child travel	4	7.84%
Wedding	3	5.88%
Study tour	2	3.92%
Health care/beauty tour	2	3.92%
None	21	41.18%

Hotel Preferences

17. What type of hotels do you predict will be most in demand as Chinese travelers journey to North America and Europe?

Type	Number	Percentage
Resort	23	45.10%
Urban	31	60.78%
Full-service	45	88.24%
Limited service	2	3.92%
Aparthotel	3	5.88%

18. Are there any other activities, excursions, or interest areas where you see potential growth?

Hotel Brand	Number of Responses	Percentage
Hilton	16	31.37%
Sheraton	9	17.65%
Marriott	7	13.73%
Holiday Inn	6	11.76%
Accor	4	7.84%
Shangri-la	4	7.84%
Sofitel	2	3.92%
Intercontinental	2	3.92%
Others	6	11.76%

19. What facilities within a hotel bedroom are highly sought after?

Facilities	Not important	Quite Important	Very Important	Essential
Wi-fi and internet	15(29.41%)	12(23.53%)	14(27.45%)	10(19.61%)
High level of in-room technology—TV with DVD, iPad or laptop	36(70.59%)	10(19.61%)	2(3.92%)	3(5.88%)
Tea and coffee making facilities	7(13.73%)	3(5.88%)	9(17.65%)	32(62.75%)
Limited cooking facilities	41(80.39%)	4(7.84%)	1(1.96%)	5(9.8%)
Ironing board	32(62.75%)	14(27.45%)	2(3.92%)	3(5.88%)
Mini Bar	21(41.18%)	10(19.61%)	7(13.73%)	13(25.49%)
Specific storage	32(62.75%)	8(15.69%)	5(9.8%)	6(11.76%)

20. Are there any other facilities that are regarded as desirable?

Facilities	Number	Percentage
Hair dryer	8	15.69%
Disposable toiletries	7	13.73%
Plug adapter	6	11.76%
Water kettle	4	7.84%
Cups	3	5.88%
Telephone	3	5.88%

21. What sort of snacks and refreshments do Chinese travelers like in their rooms?

Snacks	Number	Percentage
Local specialties	25	49.02%
Chinese	5	9.80%
Sweet dessert	2	3.92%

22. What are the bathroom preferences of Chinese travellers?

Facilities	Not important	Quite Important	Very Important	Essential
Bath	34(66.67%)	7(13.73%)	5(9.8%)	5(9.8%)
Shower	2(3.92%)	6(11.76%)	3(5.88%)	40(78.43%)
Both bath & shower	23(45.1%)	15(29.41%)	6(11.76%)	7(13.73%)
Dual sinks	2(3.92%)	4(7.84%)	6(11.76%)	39(76.47%)
Separate WC	35(68.63%)	3(5.88%)	5(9.8%)	8(15.69%)
Bidet	30(58.82%)	12(23.53%)	2(3.92%)	7(13.73%)
Open plan layout	40(78.43%)	8(15.69%)	3(5.88%)	0(0%)
Separate make-up vanity	14(27.45%)	14(27.45%)	8(15.69%)	15(29.41%)

23. Any other issues regarding bathrooms?

Issues	Number	Percentage
Hair dryer	6	11.76%
Slip-resistant	6	11.76%
Cleanliness	5	9.80%
Safety	3	5.88%

Food and Beverage

24. What type of restaurants are preferred by Chinese travelers?

Facilities	Not popular	Quite popular	Very popular	Essential
Buffet-style dining	4(7.84%)	19(37.25%)	23(45.1%)	5(9.8%)
Formal dining	13(25.49%)	28(54.9%)	4(7.84%)	6(11.76%)
Café or coffee shops	21(41.18%)	22(43.14%)	2(3.92%)	6(11.76%)
Sushi bars	23(45.1%)	22(43.14%)	5(9.8%)	1(1.96%)
Fast food-style operations	27(52.94%)	18(35.29%)	3(5.88%)	3(5.88%)
Barbeque	18(35.29%)	22(43.14%)	10(19.61%)	1(1.96%)

25. Aside from traditional Chinese cuisine, what other cuisines are growing in popularity?

Cuisine	Number	Percentage
Japanese	14	27.45%
Local specialties	10	19.61%
Thai	9	17.65%
French	7	13.73%
Italian	6	11.76%
American	4	7.84%

26. Are there preferred cuisines by mealtimes?

Preference	Number	Percentage
All Chinese cuisine	2	3.92%
Different by mealtimes	49	96.08%

27. Are celebrity restaurants or signature chefs popular?

Popular	Number	Percentage
Yes	13	25.49%
No	38	74.51%

28. Are there types of bars and entertainment that are growing in popularity?

Facilities	Not popular	Quite popular	Very popular	Essential
Bars with live entertainment	3(5.88%)	23(45.1%)	23(45.1%)	2(3.92%)
Bars with karaoke	20(39.22%)	16(31.37%)	15(29.41%)	0(0%)
Specialist Bars (e.g., whiskey or vodka theme)	18(35.29%)	20(39.22%)	13(25.49%)	0(0%)
Nightclubs	22(43.14%)	22(43.14%)	6(11.76%)	1(1.96%)

29. Any other comments on F&B facilities?

Comments	Number	Percentage
Cleanliness	10	19.61%
Taste	6	11.76%
Chinese waiters	5	9.80%
Chopsticks	3	5.88%

Amenities

30. How essential are the following amenities in resort hotels?

Facilities	Not popular	Quite popular	Very popular	Essential
Swimming pool	3(5.88%)	13(25.49%)	15(29.41%)	20(39.22%)
Fitness facilities	9(17.65%)	18(35.29%)	10(19.61%)	14(27.45%)
Tennis Courts	13(25.49%)	21(41.18%)	11(21.57%)	6(11.76%)
Golf	18(35.29%)	21(41.18%)	9(17.65%)	3(5.88%)
Water sports	18(35.29%)	21(41.18%)	10(19.61%)	2(3.92%)
Spa facilities	1(1.96%)	24(47.06%)	12(23.53%)	14(27.45%)
Hairdressing salon	21(41.18%)	16(31.37%)	8(15.69%)	6(11.76%)
Nightclub	19(37.25%)	23(45.1%)	5(9.8%)	4(7.84%)
Casino	14(27.45%)	19(37.25%)	9(17.65%)	9(17.65%)
Children's Clubs and activities	13(25.49%)	13(25.49%)	16(31.37%)	9(17.65%)
Selection of gift shops and boutiques	13(25.49%)	19(37.25%)	10(19.61%)	9(17.65%)
Business Centre	8(15.69%)	15(29.41%)	8(15.69%)	20(39.22%)
Concierge Services	11(21.57%)	15(29.41%)	9(17.65%)	16(31.37%)
Translation services	29(56.86%)	17(33.33%)	3(5.88%)	2(3.92%)

31. Any other popular facilities or amenities?

Facility	Number	Percentage
Massage	2	3.92%
Hot springs	1	1.96%
Beauty salon	1	1.96%

Resort Hotel Design Features

32. What type of hotel design are Chinese travellers drawn to?

Style	Not popular	Quite popular	Very popular	Essential
Contemporary (modern and minimalist)	8(15.69%)	22(43.14%)	17(33.33%)	4(7.84%)
Traditional	20(39.22%)	21(41.18%)	10(19.61%)	0(0%)
Ethnic (Chinese)	25(49.02%)	19(37.25%)	7(13.73%)	0(0%)
Historic Buildings (castles, palaces)	8(15.69%)	8(15.69%)	34(66.67%)	1(1.96%)
Contextual (inspired by locale)	4(7.84%)	14(27.45%)	28(54.9%)	5(9.8%)
Thematic	12(23.53%)	17(33.33%)	21(41.18%)	1(1.96%)

33. Any other design preferences?

Design preference	Number	Percentage
Grand	7	13.73%
Local style	5	9.80%
Unique	4	7.84%
Clean	3	5.88%
High class appearance	2	3.92%
Bright	2	3.92%

Budget

34. How do travelers segregate their budget between transportation, hotel, meals, and entertainment?

Items	Score
Transportation	3.24
Hotel	2.75
Meals	1.61
Entertainment	1.29

35. What is the average budget for a Chinese traveler going to Europe?

Budget	Number	Percentage
10,000 - 15,000	17	33.33%
15,001 - 20,000	17	33.33%
20,001 - 25,000	8	15.69%
25,001 - 30,000	7	13.73%
30,001 - 35,000	4	7.84%
35,001 - 40,000	4	7.84%
>40,000	7	13.73%

36. What is the average budget for a Chinese traveler going to North America?

Budget	Number	Percentage
10,000 - 15,000	6	11.76%
15,001 - 20,000	10	19.61%
20,001 - 25,000	14	27.45%
25,001 - 30,000	15	29.41%
30,001 - 35,000	3	5.88%
35,001 - 40,000	6	11.76%
>40,000	11	21.57%

Other

37. Are there any unique traditions or rituals that hotel companies need to be aware of to enhance the stay of a Chinese visitor?

Traditions or rituals	Number	Percent
Accommodation to Chinese culture	9	17.65%
Cleanliness	4	7.84%
Manners	3	5.88%
Hot water	3	5.88%
Chinese waiters and signs	3	5.88%
Holiday ambience	2	3.92%
Suitable price	2	3.92%

38. Are there any unique traditions or rituals that hotel companies need to be aware of to enhance the stay of a Chinese visitor?

Complaint	Number	Percentage
Low-quality lodging or dining	15	29.41%
Bad tour guides	12	23.53%
Bad shopping experience	12	23.53%
Slow transportation	10	19.61%
Bad travel schedule	7	13.73%
Inadequate local hospitality services	7	13.73%
Unaccustomed to dining/lodging	4	7.84%
Never get full	3	5.88%
Undesirable lodging location	3	5.88%
Scanty food	2	3.92%
Unvaried diet	2	3.92%
Cleanliness problems	2	3.92%
Unfriendly local people	2	3.92%

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