

Prof. Dr. Wolfgang Georg Arlt (Director, COTRI)

Background information for f.re.e München 2010

2009 figures confirm importance of Chinese outbound travellers for global tourism development

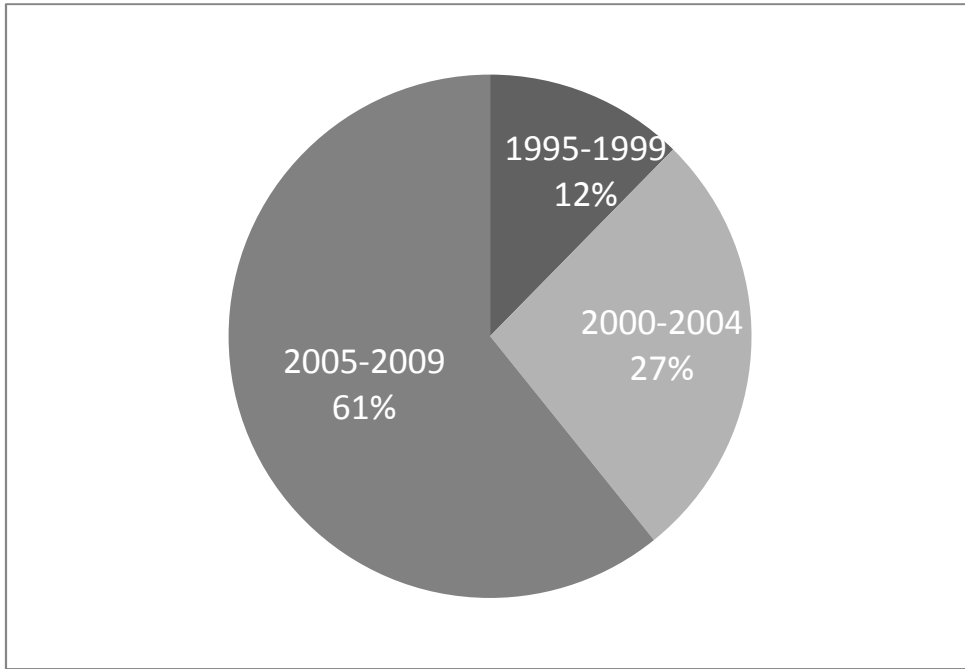
2010 promises to develop into a positive year for those destinations, organisations and companies which engage with the Chinese outbound tourism market.

On the political side, a State Council executive meeting chaired by Chinese Premier Wen Jiabao on November 25th 2009 listed tourism on the top of its agenda of the national economic and social development. The "Statement on Accelerating the Tourism Industry Development" includes the definition of Tourism as a strategic pillar industry in the national economy and the plan for further expansion of the tourism market, resulting in China becoming the world's flagship Tourism destination by 2020.

Emphasis has also been placed on outbound tourism which will be planned to have an annual increase of 9% totalling 83 million outbound trips by 2020. UNWTO Secretary-General Taleb Rifai applauded the importance of the announcement "The efforts of the Chinese Government to promote outbound tourism will be a great impetus for world tourism development especially when world tourism is overcast by the current economic downturn."

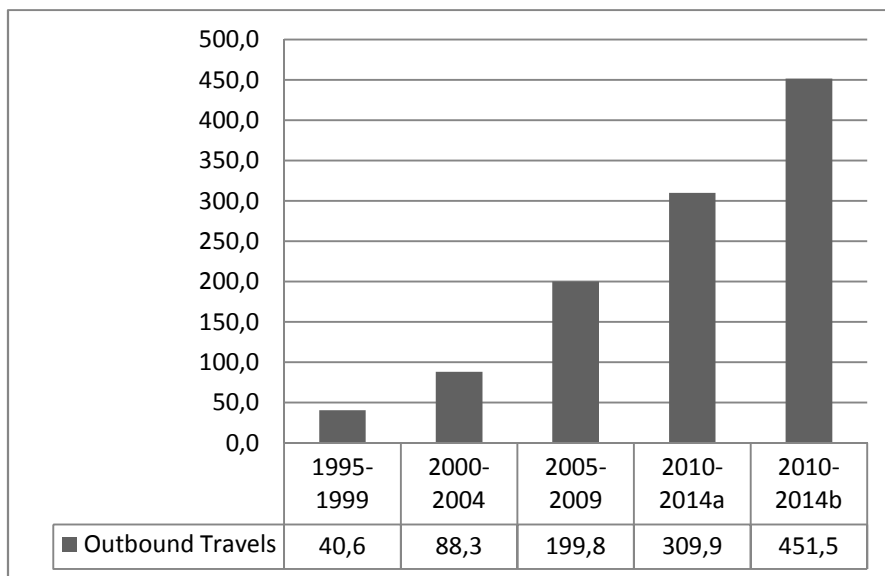
On the business side, the numbers for 2009 just released by Xinhua News Agency verify the statement of COTRI in early 2009 that China's outbound tourism is rather a remedy than a part of the problem of the current global economic and tourism crisis. With an increase of 3.6 percent to a total number of 47.5 million border crossings by Mainland Chinese citizens, the Chinese tourism source market remains an island of positive development amongst an ocean of negative growth figures. According to estimates of the UNWTO, the number of international tourism trips decreased by 4% in 2009, with some parts of Europe seeing numbers dropping by as much as 8%. It appears that those destinations, companies and organisations focussing on China have been betting on the right horse.

This is in line with the increasing speed of growth of Chinese outbound tourism since 1995. In the three quinquenniums (five-year periods) starting in 1995, the total number of border crossings more than doubled each time. In the first quinquennium 1995-1999 about 40 million Chinese persons went beyond the customs controls. The first quinquennium of the new millennium saw a rise to 88 million, an increase of 117% and the second one a still more pronounced growth of 226% to 200 million. Of the altogether 328 million border crossings reported by the Chinese authorities for the whole period, more than 60% happened with the five years period of 2005-2009.



Share of Chinese outbound travels during three quinquenniums 1995-2009 (Source: CNTA / COTRI)

This does of course not mean that 310 million different persons or about one out of four Chinese travelled abroad. Frequent business travellers distort the picture as well as petty traders crossing the border almost every day to peddle their wares on the other side and especially regular day-trippers going from Guangdong to Hong Kong and Macao. Nevertheless with 200 million trips in the last quinquennium alone the overall number who had the chance to see some other part of the world has risen to a level unprecedented in Chinese history.



Chinese outbound travels during three quinquenniums 1995-2009 in million border crossings (Source: CNTA, COTRI). a) projected increase according to State Council planning; b) projected increase if growth rate equals development 2005-2009 compared to 2000-2004.

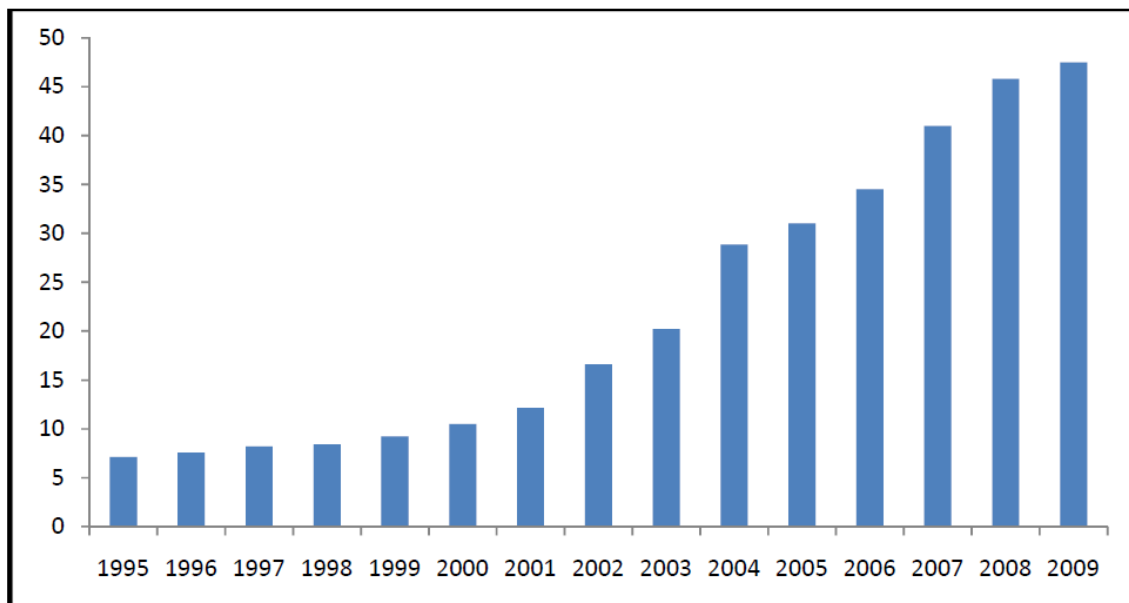
Chinese outbound tourism today is an integrated part of international tourism responsible for 5.4% of all international travels. One out of 18 international travellers is starting his or her trip in Mainland China. China has been the major outbound tourism market in Asia for several years. With increases in the number of Chinese travellers but decreases in the corresponding figures for Japan, it can be expected for 2010 that this prime position will be reached by China for the first time even if the visitors to Hong Kong and Macao are not included.

Not only the number of persons travelling has grown to a significant level. With 4% of the overall spending in international tourism in 2008, the share in terms of spending is still below the share in persons, but in absolute figures China has reached already the 5th position in the list of the worlds major spenders in tourism after Germany, USA, UK and France, ahead of Italy and Japan. Translated into expenditure per capita on international tourism for the whole country, even with the rise from close to zero in 1995 and just 15 US\$ at the beginning of the last quinquennium to 27 US\$ in 2008, China is however still far below the global average of 140 US\$ (UNWTO 2009).

China Outbound Tourism Development 1995-2009

(number of borders crossings by Mainland Chinese citizens, in millions)

Source: CNTA, COTRI





COTRI China Outbound Tourism Research Institute

COTRI is the world's leading independent research institute for analysis, consulting and quality assessment relating to the Chinese Outbound Tourism market.

The China Outbound Tourism Research Institute offers information, analysis, publications, consulting, advice and coaching for destinations and companies interested in the biggest Asian source market in international tourism - China. COTRI is based in Heide/Germany (headquarter) and Shanghai/China.

COTRI provides current and background information about Chinese Outbound tourism on its websites www.china-outbound.com, its Premium Content website www.win-chinese-tourists.com and in www.chinatravel trends.com, the authoritative one-stop resource portal and travel industry community on China outbound tourism.

COTRI organizes workshops both public and in-house. COTRI customized workshops have been taking place in Europe, Asia, Central America, the Caribbean and South America. COTRI verifies companies and institutions engaged in providing excellent services for Chinese visitors awarding the COQ China Outbound Tourism Quality Label.

COTRI is closely working together with the UNWTO, PATA, China Tourist Academy (CTA), the Tourism Research Institute of the Chinese Academy for Social Sciences and other international organizations, national and regional tourism boards, private companies, universities and experts from many countries.

COTRI publications 2010

- COTRI Yearbook 2010. Update on the Chinese outbound market. Published by Martin Meidenbauer Verlag, München. Foreword by Dr. Taleb Rifai, Secretary-General of the UNWTO United Nations World Tourism Organisation
- COTRI/PATA: Are you ready? For Chinese International Travellers — A self-learning programme for tourism managers and professionals to prepare for the Chinese Outbound Tourism source market. Available from <http://www.patastore.com/products/Are-you-ready-for-Chinese-International-Travellers.html>
- CTA/COTRI: Annual Report of China Outbound Tourism Development 2009/2010. The survey is edited by the China Tourist Academy CTA, a dedicated research institute of the National Tourism Administration of the People's Republic of China (CNTA). The English version is published in cooperation with COTRI by Profil Verlag, München. This publication is the most comprehensive survey on Chinese outbound tourism available from a Chinese government institution.