



Dragon Trail
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Chinese Outbound Tourism Returns

Dragon Trail International for TFWA | March 2023



Agenda

- China Travel News
- The Start of Chinese Travel Recovery
- What to Expect from Chinese Travelers

Dragon Trail International

Dragon Trail International is a marketing solutions company with roots in China and extensive experience in the global travel and MICE industries. We create digital solutions to propel your expansion into new markets, connecting you with new customers and partners.



Dragon Trail
INTERNATIONAL

- From our roots in the travel and hospitality sectors, we have expanded to deliver exceptional results in MICE, education, and international trade promotion.
- Founded in 2009, the company has offices in Beijing, Shanghai, Xi'an, and London.
- We are proud to work with major international brands, such as South African Tourism, Barcelona Turisme, PromPeru, Visit Sweden, Air France, Small Luxury Hotels of the World, IT&CM, and COTTM.
- **Learn more about our work and access free resources at www.dragontrail.com**

China Travel News



China: End of Zero-COVID, Start of Travel Reopening

After nearly three years of the strict Zero-COVID policy, China almost totally reopened within two months.

30 November 2022

State Council Vice Chair Sun Chunlan says China is in a new phase of epidemic prevention

7 December

State Council releases new policies, including no checks for interprovincial travel, home quarantine for mild cases

8 January

China reopens! Passport services resume, all quarantine canceled; digital travel pass scrapped

6 February

Outbound group/package tourism resumed to 20 countries; HK/ Macau/mainland travel back to normal

11 November 2022

Circuit breaker flight cancellation policy scrapped; inbound quarantine reduced to 5+3, testing requirements relaxed

2-5 December 2022

Updated regulations for cities across China; health codes no longer required for public transport and some venues

26 December

All domestic travel restrictions officially ended; reopening for international travel announced

20 January

Outbound group/package tourism pilot reopening program announced

Chinese Outbound Travel Policy – Group Tours

On 20 January 2023, the Ministry of Culture and Tourism announced a pilot scheme to resume outbound group and package travel from China. The sale of these travel products had been banned since late January 2020.

From 6 February 2023, outbound group and package travel is allowed for travel to 20 countries:

Asia:

Thailand, Indonesia, Cambodia, Maldives, Sri Lanka, Philippines, Malaysia, Singapore, Laos

Middle East:

UAE

Americas:

Cuba, Argentina

Oceania:

New Zealand, Fiji

Europe:

Russia, Switzerland, Hungary

Africa:

Egypt, Kenya, South Africa

Recent Changes to Policies for Travelers from China

Europe

No pre-departure testing required from the end of February. Non-EU Schengen member states will also adopt these policies.

Japan

Japan dropped pre-departure testing requirements for Chinese travelers on 1 March.

India

Pre-departure tests for travelers from China are no longer required from 13 February.

South Korea

As of mid-February, short-term visa services resumed. Searches for Korean visas on OTA Fliggy increased 1,179% within a few days. COVID testing on arrival ended 1 March, with pre-departure COVID testing scrapped from 10 March.

The Start of Chinese Travel Recovery



Chinese New Year 2023

- 308 million domestic trips
+23.1% y-o-y, reaching 88.6% of 2019's levels (Ministry of Culture and Tourism)
- RMB 375.8 billion spending on domestic travel
+30% y-o-y, reaching 73.1% of 2019's spending (Ministry of Culture and Tourism)
- 2.88 million border crossings
+120.5% y-o-y. 1.44 million of these were outbound trips, a 117.8% increase from last year. In 2019, there were 12.53 million border crossings during the CNY week. (National Immigration Authority)
- 6 February 2023: 676k border crossings
+32.8k% vs. previous day, reaching 36.6% of 2019's levels (National Immigration Authority)

Chinese New Year 2023

Data from Chinese OTAs released at the end of the CNY period all spoke to the growth of long-distance domestic travel, and the beginning of the recovery of outbound travel.

Ctrip:

Sales of cross-border flights and hotels increased by four times, to a three-year high. Southeast Asia was the big winner, with immense increases in flight bookings for Bali, Singapore, Manila, Bangkok, Phuket, Chiang Mai, and Kuala Lumpur.

Ctrip: Top Outbound Destinations, 21-24 January 2023

1. Hong Kong
2. Macau
3. Bangkok
4. Singapore
5. Phuket

Hainan: Still a Winner

Flight bookings to Sanya are outperforming pre-pandemic levels

Most resilient destinations (out of destinations with a share size > 2%); 7 Dec 2022-10 Jan 2023 vs 7 Dec 2019-10 Jan 2020



Destination city	% of 2019's level
Sanya	102%
Chengdu	92%
Haikou	88%
Harbin	82%
Kunming	70%
Chongqing	75%
Wuhan	75%
Hangzhou	73%
Xiamen	58%

Hainan: Still a Winner

In the first five days of the 2023 Chinese New Year holiday, Hainan's 12 duty free shopping centers in Sanya, Haiko, Bo'ao, and Wanning, reported 1.7 billion RMB (US\$248.4 million) in sales. This represents a 20.03% year on year increase, and an increase of 325% compared by 2019.



What to Expect from Chinese Travelers

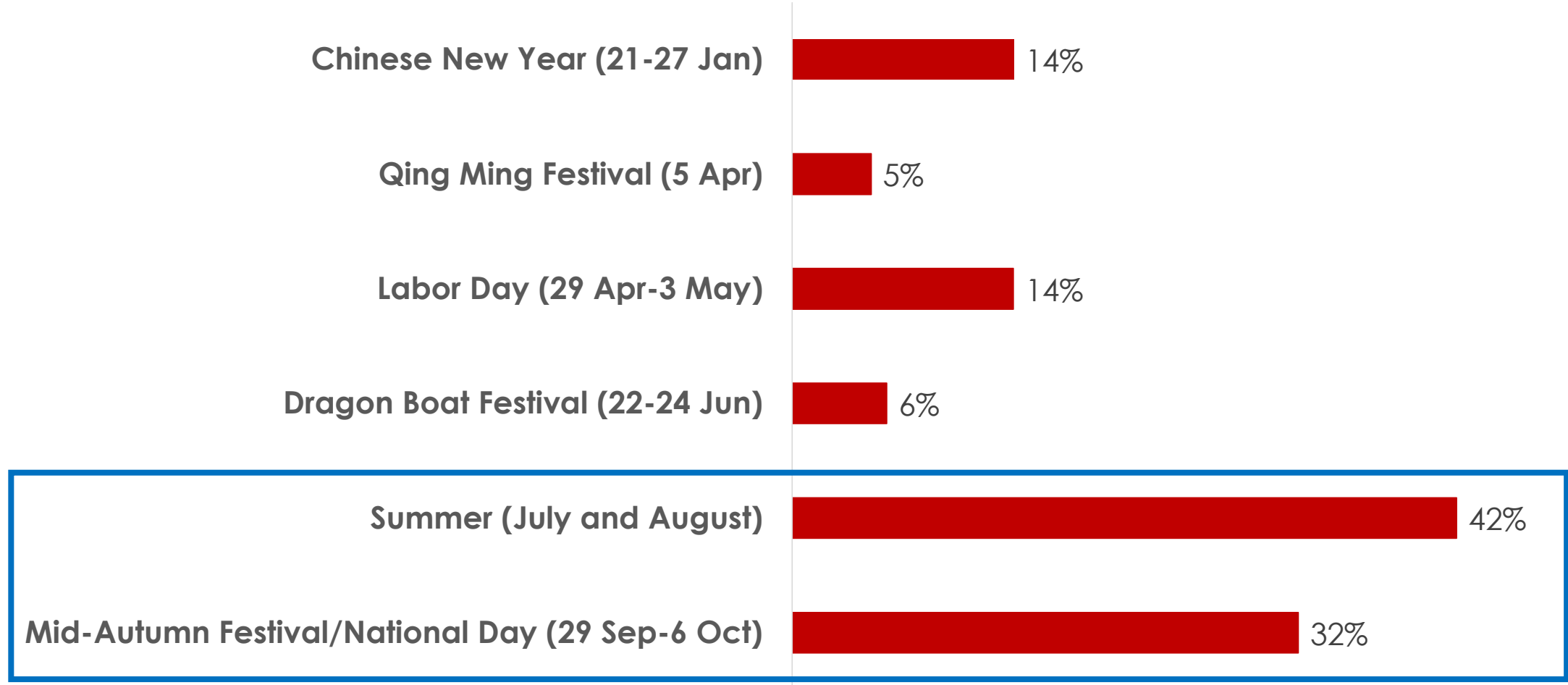


Travel Sentiment: Intention to Travel Outbound

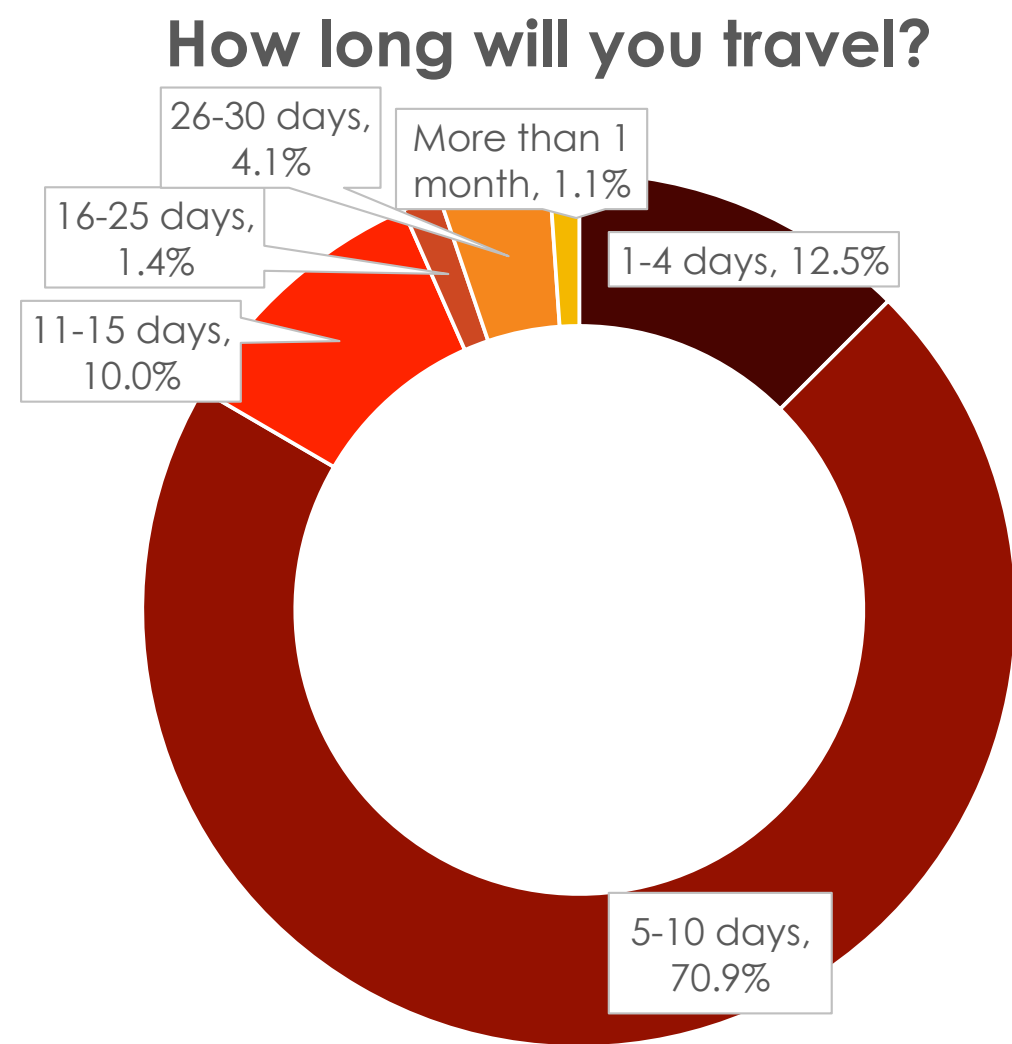


60.6% of respondents in Dragon Trail's January 2023 survey said they wanted to travel outside mainland China this year.

When? Outbound Travel Planning for 2023



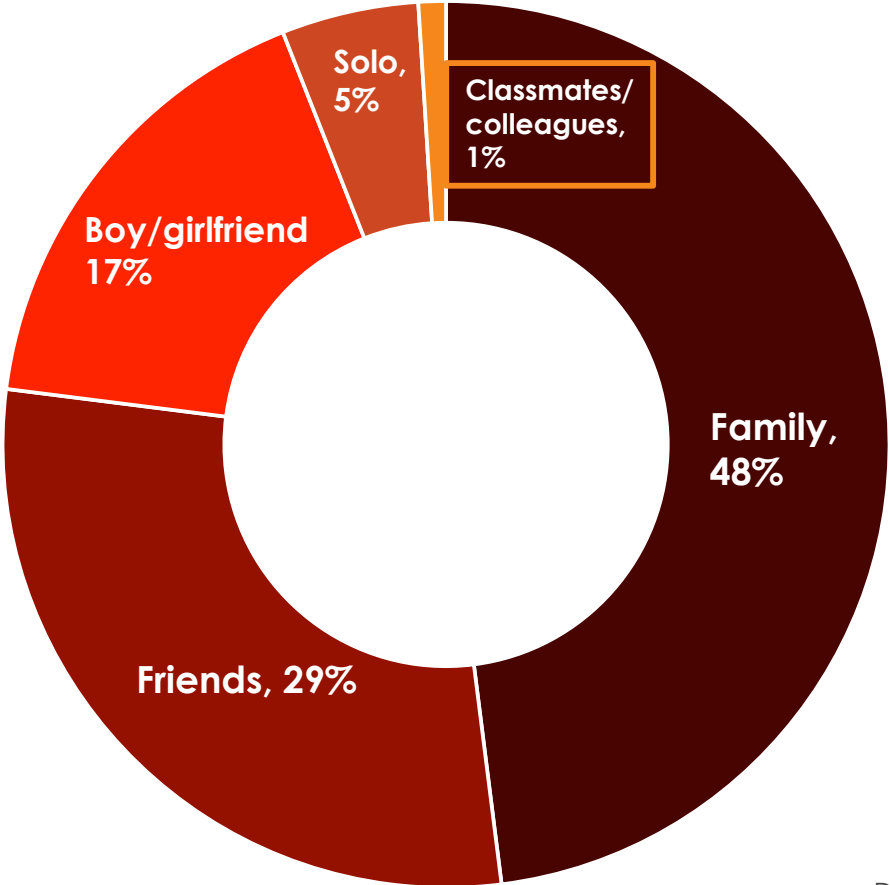
2023 Outbound Travel Plans: Trip Length



Nearly 71% of travelers are planning a trip of 5-10 days











2023 Outbound Travel Plans: Companions

Whom will you travel with?



Nearly half of respondents plan to travel with family

Where? Preferred Outbound Destinations for 2023

	1. Hong Kong (20.7%)
	2. Macau (11.4%)
	3. Thailand (11.1%)
	4. Japan (5.9%)
	5. Taiwan (4.7%)
	6. South Korea (4.4%)
	7. Singapore (4.2%)
	8. France (3.4%)
	9. Australia (3.1%)
	10. Russia (2.7%)

Hong Kong is the clear top outbound destination for 2023. Altogether, Greater China destinations account for 36.8% of responses – and more than half of outbound trips from the mainland before the pandemic.

Thailand comfortably leads as the no. 1 international destination for Chinese outbound tourists in 2023.

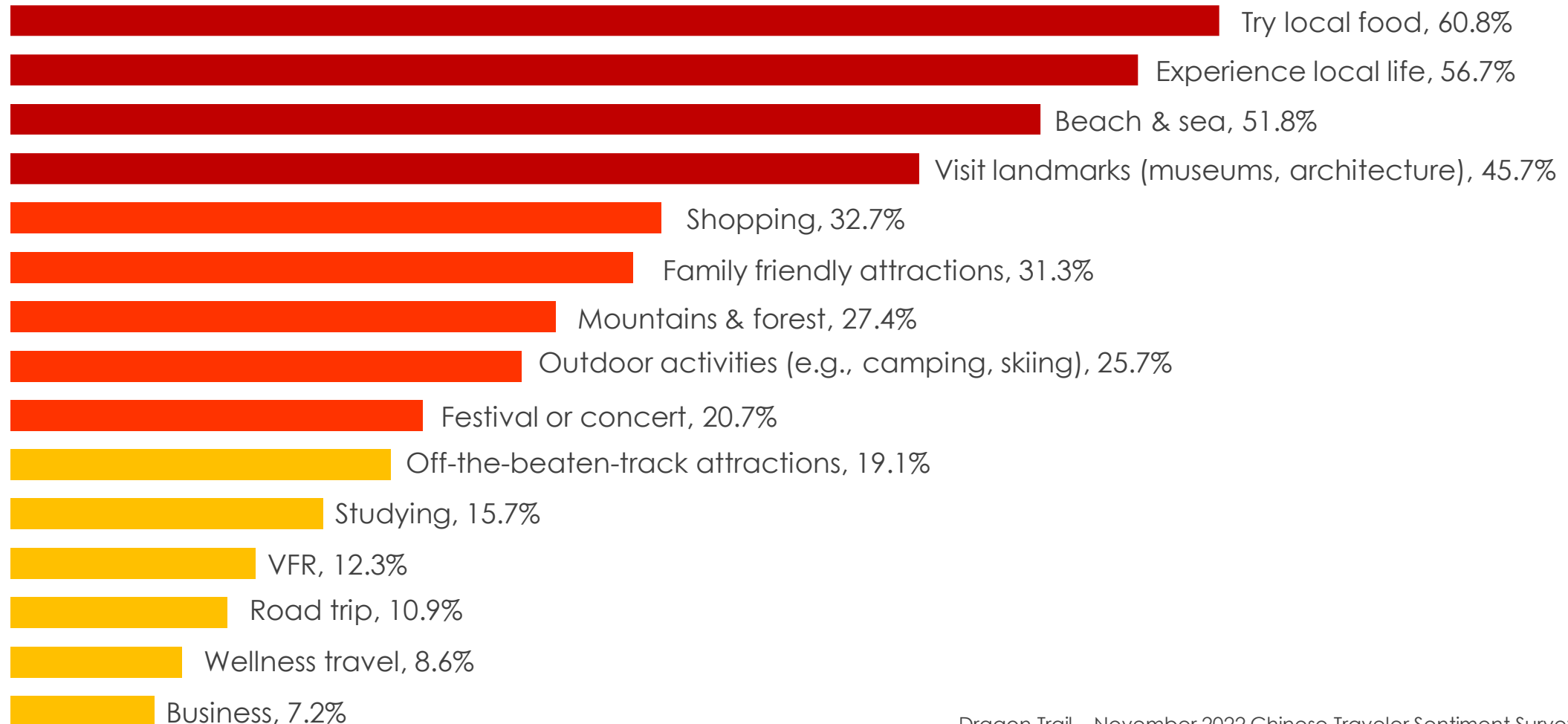
Where? Qyer Users' Top Destinations



Qyer 2022 Chinese Travel Surveys

Reasons for Travel: In Search of Local Experiences

Chinese Travelers: Purpose of Next Outbound Trip



Dragon Trail – November 2022 Chinese Traveler Sentiment Survey

Reasons for Travel: Rising Interest in Culture & Special Interests

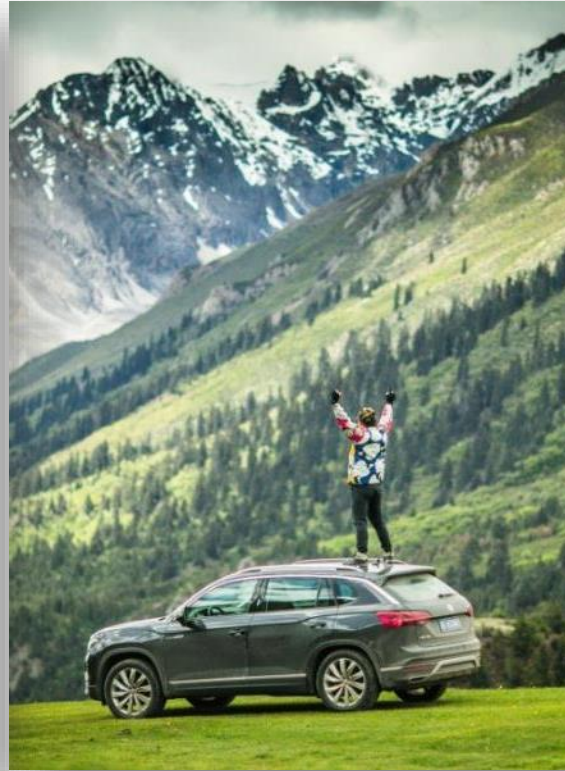


Qyer 2022 Chinese Travel Surveys

Chinese Pandemic-Era Domestic Tourism Trends



Smaller groups



Outdoor
activities

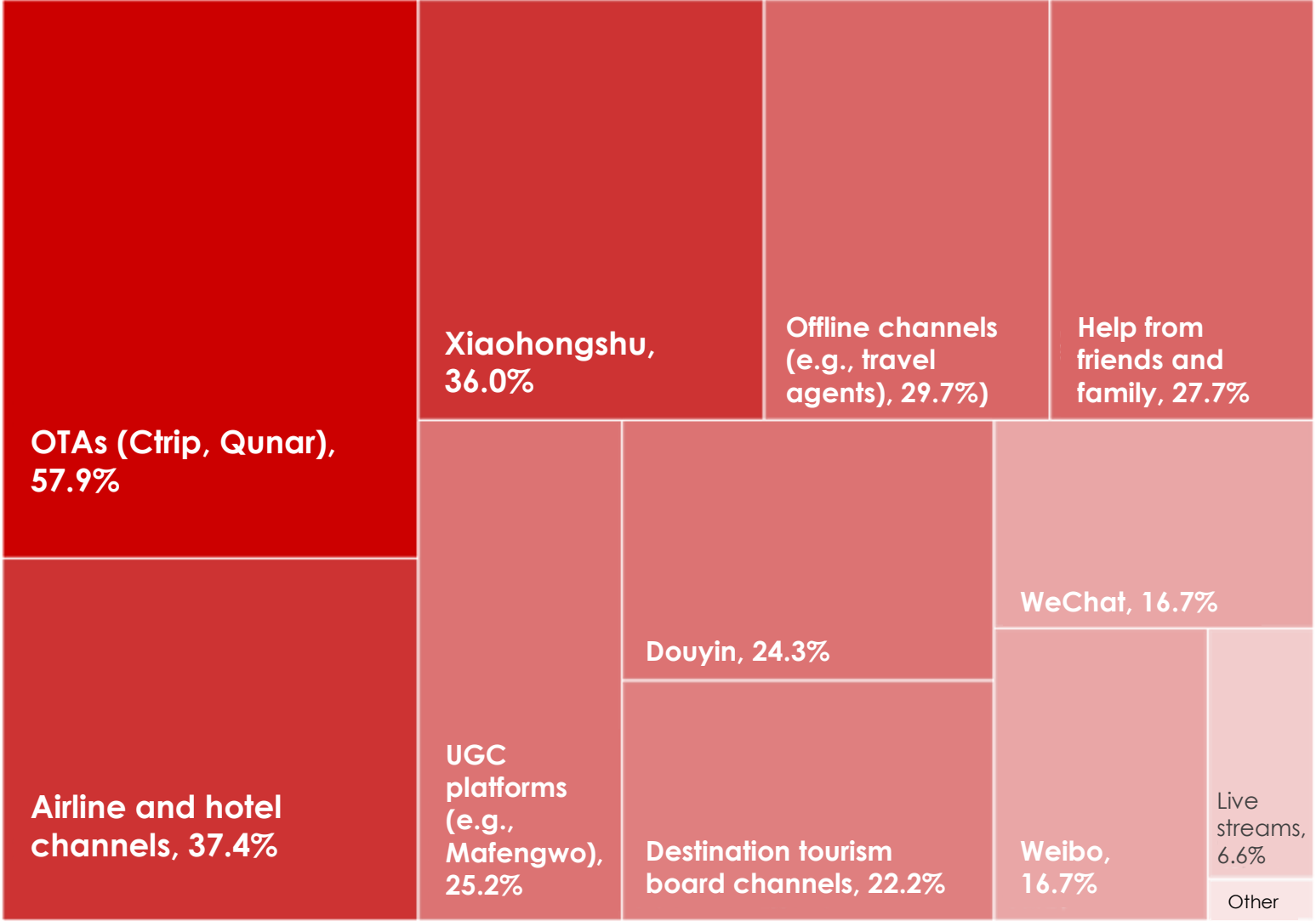


Educational/
deep cultural
tourism



Winter sports

Channels Used to Plan Outbound Travel



Additional Resources



Online Resources

Visit www.dragontrail.com for consumer sentiment reports and more information on the latest trends in Chinese outbound travel and digital marketing, catch up on past webinars, sign up for our monthly newsletter, follow our weekly WeChat and Weibo rankings, and more.

You can also follow us on LinkedIn, Twitter, and Facebook.



Q&A

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