

2023 INTERNATIONAL MARKET UPDATE

CHINA

MARKET OVERVIEW

Results based on year ending June 2023

- Prior to Covid the China market had grown rapidly to become South Australia's largest inbound source market.
- China is currently South Australia's fifth largest inbound market and visitation is currently 76% down on pre-Covid levels and 73% down on expenditure levels. Noting that borders between China and Australia only opened in early 2023.
- South Australia generally attracts affluent middle class couples and families residing in the first tier cities of Shanghai, Beijing, Guangzhou and Shenzhen.
- Visitors from China to South Australia generally travel independently or in customised small group tours and seek immersive experiences.
- Travel periods are generally short in duration with the majority of nights spent in capital cities.
- Key experiences include world class wine and dining experiences, nature and wildlife, and coastal and aquatic experiences.
- 84% of Chinese visitors to South Australia have been to Australia before.

SNAPSHOT OF CURRENT STATISTICS

Results based on year ending June 2023

VISITORS



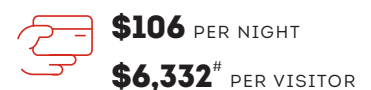
NIGHTS



EXPENDITURE



AVERAGE SPEND



AVERAGE LENGTH OF STAY

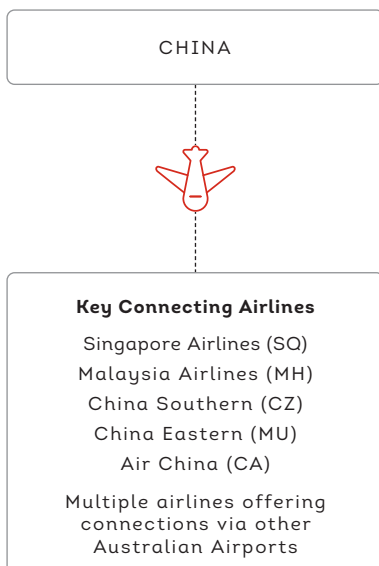


INTERNATIONAL RANKING IN SOUTH AUSTRALIA

- #5** FOR VISITORS
- #2** FOR NIGHTS
- #3** FOR EXPENDITURE

[#]A high average due to education visitors.

AIR ACCESS



FAST FACTS & FIGURES

Annual average of 2017-2019 figures

CHINA	HOLIDAY	VFR [^]	BUSINESS	OTHER	TOTAL
Visits (SA)	29	17	4	14	61
Visits (AUS)	784	351	86	323	1,302
Nights (SA)	192	358	54	1,971	2,574
Nights (AUS)	8,480	12,701	1,063	33,972	56,216
ALOS[^] - Nights (SA)	7	21	14	141	42
ALOS[^] - Nights (AUS)	11	36	12	105	43
Expenditure					\$402M

(\$.000)

[^] ALOS = Average Length Of Stay, VFR = Visiting Friends and Relatives.

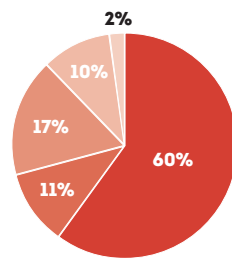
VISITOR ACCOMMODATION TYPE & TRAVEL PARTY DESCRIPTIONS

Annual average of 2017-2019 figures - current year samples not yet sizeable enough



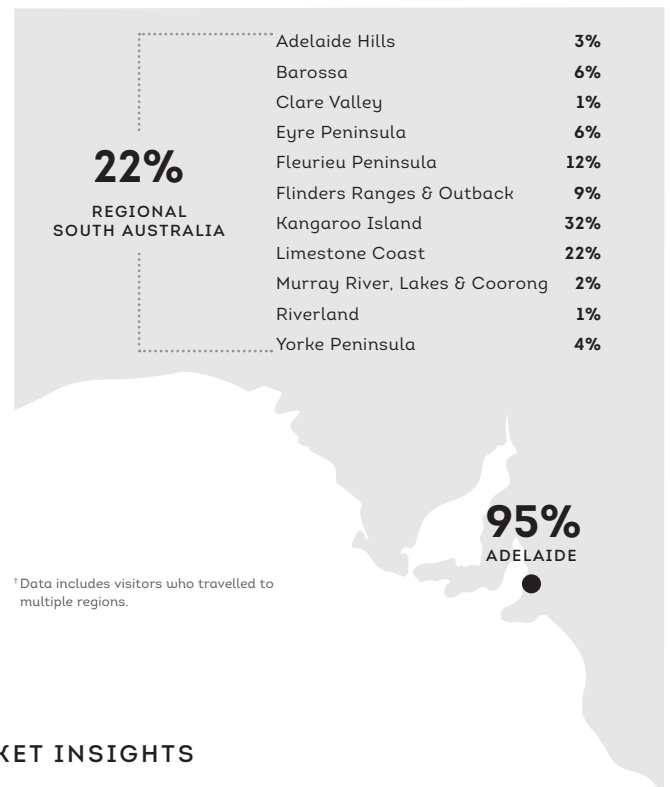
Travel party description (to SA)

- Unaccompanied
- Adult couple
- Family group
- Friends/relatives travelling together
- Business



VISITOR DISPERSAL[†]

Annual average of 2017-2019 figures - current year samples not yet sizeable enough



IMPORTANCE FACTORS

Data from Consumer Demand Project (CDP) report - August 2023



41%

World-class beauty and nature
VS. 40% GLOBAL AGGREGATE



37%

Safety and security
VS. 53% GLOBAL AGGREGATE



33%

Good food and wine
VS. 37% GLOBAL AGGREGATE



28%

World-class aquatic and coastal
VS. 24% GLOBAL AGGREGATE



26%

Romantic destination
VS. 17% GLOBAL AGGREGATE

GLOBAL AGGREGATE: This is from the Consumer Demand Project research conducted quarterly by Tourism Australia in 12 key international markets for Australia. Global aggregate refers to the average across all these markets.

MARKET INSIGHTS

- Engaging consumers through digital means is critical for successful consumer promotion, however all western platforms such as Facebook, Instagram, Twitter and YouTube are blocked.
- Social media and travel advice websites in Chinese are used heavily during the consumer travel planning process. The SATC is active across all key platforms including WeChat, RED, Weibo and Douyin, promoting a range of South Australian experiences to an engaged audience.
- It requires some effort to establish a presence on digital and social platforms specific to China. Therefore, operators may wish to leverage the SATCs owned social media activity, as well as other existing social media accounts with large followings through WeChat, Weibo, Douyin or RED.
- The SATC continues to develop strong relationships with key travel trade partners in market to ensure that the trade is aware of South Australia and the various offerings.
- Most group tour arrangements are handled by the Chinese inbound tour operators (ITOs) in Adelaide, however Chinese ITOs based in Sydney and Melbourne are critically important and need to be engaged.
- The majority of bookings coming through the travel trade are very cost competitive and the provision of Chinese speaking drivers and guides throughout the journey is preferred.
- Developing personal relationships with distribution partners is important as well as quick response times to enquiries, being cost competitive, and flexible based on itinerary requirements.
- There is potential to target the Chinese VFR market from Sydney, Melbourne and Brisbane through the travel trade, leading to both current and future business from China.
- While trade partners are important, the market is quickly becoming digitally sophisticated, and consumers will shop around for the best deal possible, moving between traditional partners and online deals.
- South Australia tends not to be a mass group tour destination, but it has potential to be included in private group tours for experienced and high-end travellers.

TARGET MARKET PROFILE



High value travellers who are experienced travellers looking for quality, unique and immersive experiences.

INFORMATION SOURCES

Annual average of 2017-2019 figures - current year samples not yet sizeable enough



54%

Internet



27%

Friend/relative in Australia or visited



24%

Other



22%

Previous visit(s)



12%

Did not get any information



4%

Travel book or guide



2%

Travel agent

TOP 3 BARRIERS TO VISITING AUSTRALIA

Data from Consumer Demand Project (CDP) report - August 2023



COVID-19 related factors



Other places I would prefer to go



Not enough annual leave

CONTRACTING & BROCHURE TIMES

The best time of year for in-market sales calls for Chinese New Year tour brochure planning is September/October and for annual contracting March and April.

CHINA CHECKLIST

Consider the following points when targeting travellers from China:

- ✓ Invest in the long term and be willing to take advice and adjust your approach and offering as needed for an ever-evolving market.
- ✓ Consider investing in an appropriate level of Chinese language expertise in your business.
- ✓ Play to SA's strength. Demonstrate immersive wildlife encounters and showcase our world-class produce. A translated website, marketing collateral, and Mandarin-speaking staff or guides are highly recommended to engage the market.
- ✓ Get listed with the key Online Travel Agents.

KEY DISTRIBUTION PARTNERS

Chinese business is highly competitive and Chinese travel agents do not contract a single inbound operator but instead they request quotations for each tour from multiple agents and proceed to book with the ITO that provides the most competitive quotation for that specific tour. Establishing connections with Online Travel Agents in China is critical, and uploading your product to their platform is a useful channel to reach independent Chinese travellers.

TRAVEL AGENTS

ONLINE TRAVEL AGENTS

- Trip.com
- Tongcheng.com
- Tuniu.com
- Klook.com
- Lazycat.com
- Zuzuche.com
- Qyer.com
- Mafengwo.cn

TRADITIONAL TRAVEL AGENTS

- Beijing CYTS Holding Co. Ltd
- Beijing UTour
- GZL International Travel Service
- Guangdong Comfort Travel Services/Swallow Holiday
- China CTS Tours Guangzhou
- Shanghai Golden Wattle International Tours
- Shanghai Eastern Air Holidays
- Shanghai Mint Tours
- Sichuan CYTS Co. Ltd/Shun Cheng Holiday

LUXURY AND TAILOR MADE TRAVEL AGENTS

- 8Continents
- Dlux
- Charm Deers
- Ye International Travel
- Wild China
- Cheetas Global Tour
- Smart Holiday

ADELAIDE BASED INBOUND TOUR OPERATORS

- Cheers Travel
- Fortune Dragon
- Four Z's
- MJ Tours
- Tranquil Travel

THE CHINESE ONLINE ENVIRONMENT

- Consumers based in mainland China do not have access to select foreign websites.
- Download speeds on websites hosted outside of mainland China are significantly slower than those websites hosted in China.
- Websites such as Google, YouTube, Facebook, Instagram and X (formerly Twitter) are blocked and not accessible in China.
- Mainland China has developed a completely unique digital ecosystem. Instead of YouTube, there's Youku and Iqiyi; instead of Google, there is Baidu; instead of Facebook, X and Instagram, there's WeChat and Weibo; instead of eBay, there is Taobao.

PAYMENT PLATFORMS

- WeChat Pay
- AliPay
- Union Pay

SOCIAL MEDIA



WeChat
Mainland China Account
南澳大利亚旅游局



WeChat
Australia Account
南澳大利亚旅游

WeChat Video Channel
南澳大利亚旅游

Sina Weibo
南澳大利亚旅游局
weibo.com/u/1886372175

RED
南澳大利亚旅游
[link](#)

Douyin
南澳大利亚旅游局
[link](#)

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Source: International Visitor Survey Dec 17, Dec 18, Dec 19 and June 23 conducted by Tourism Research Australia, Consumer Demand Project (CDP) Aug 23. Unless otherwise stated, all data refers to the Annual Average results for the 3 years from Dec 2017 to Dec 2019. Totals may not add to 100% due to rounding. VFR = Visiting Friends and Relatives. ALOS = Average Length of Stay (Nights).

Disclaimer: This summary has been prepared by the South Australian Tourism Commission (SATC) in good faith. While every care has been taken in preparing the information, the SATC does not represent or warrant that it is correct, complete, or suitable for the purposes for which you wish to use it. By using this information you acknowledge that it is provided by SATC without any responsibility on behalf of the SATC and agree to release and indemnify the SATC for any loss or damage that you or any third party may suffer as a result of your reliance on this information. Produced by the South Australian Tourism Commission October 2023.