



Arizona Governor's Conference on Tourism
China-Ready Session
July 2018



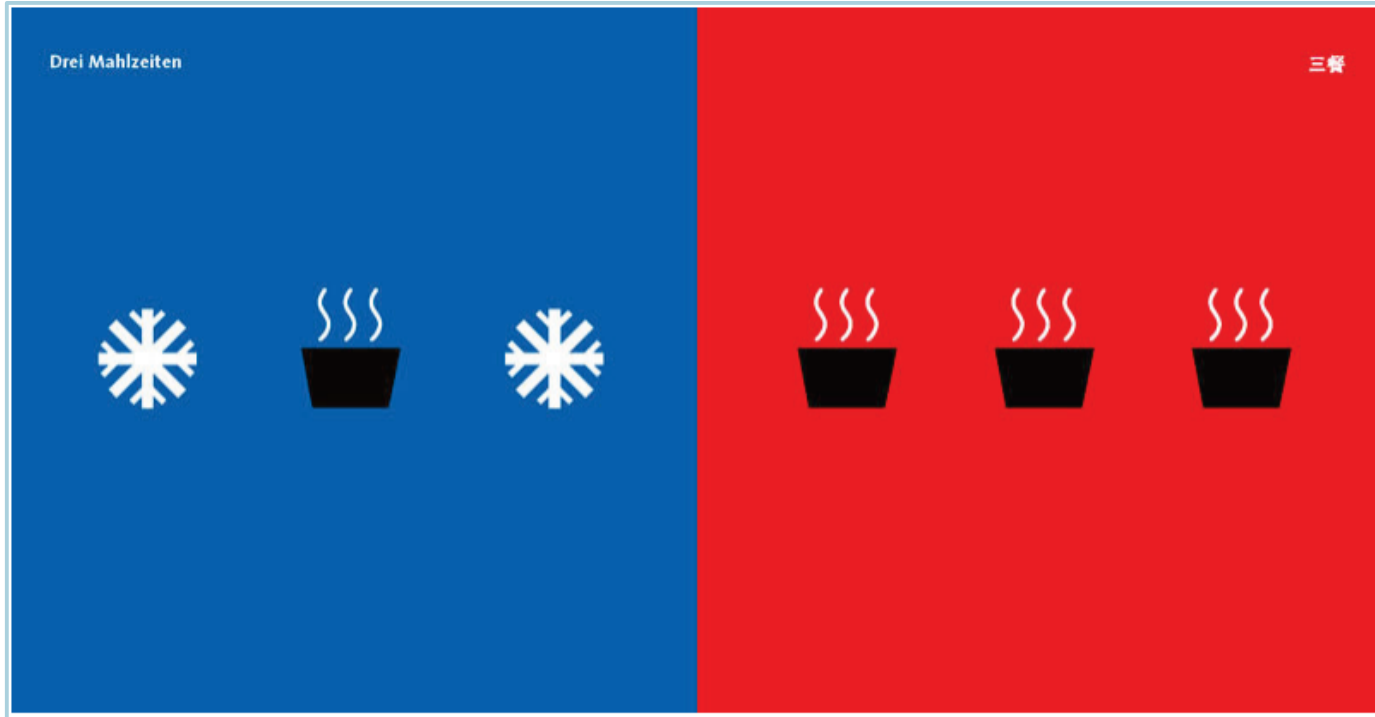
Agenda

- Cultural Backdrop
- Changing Nature of Chinese Tourism
- Digital Deep Dive
- Best Practices
- Arizona: Getting China Ready

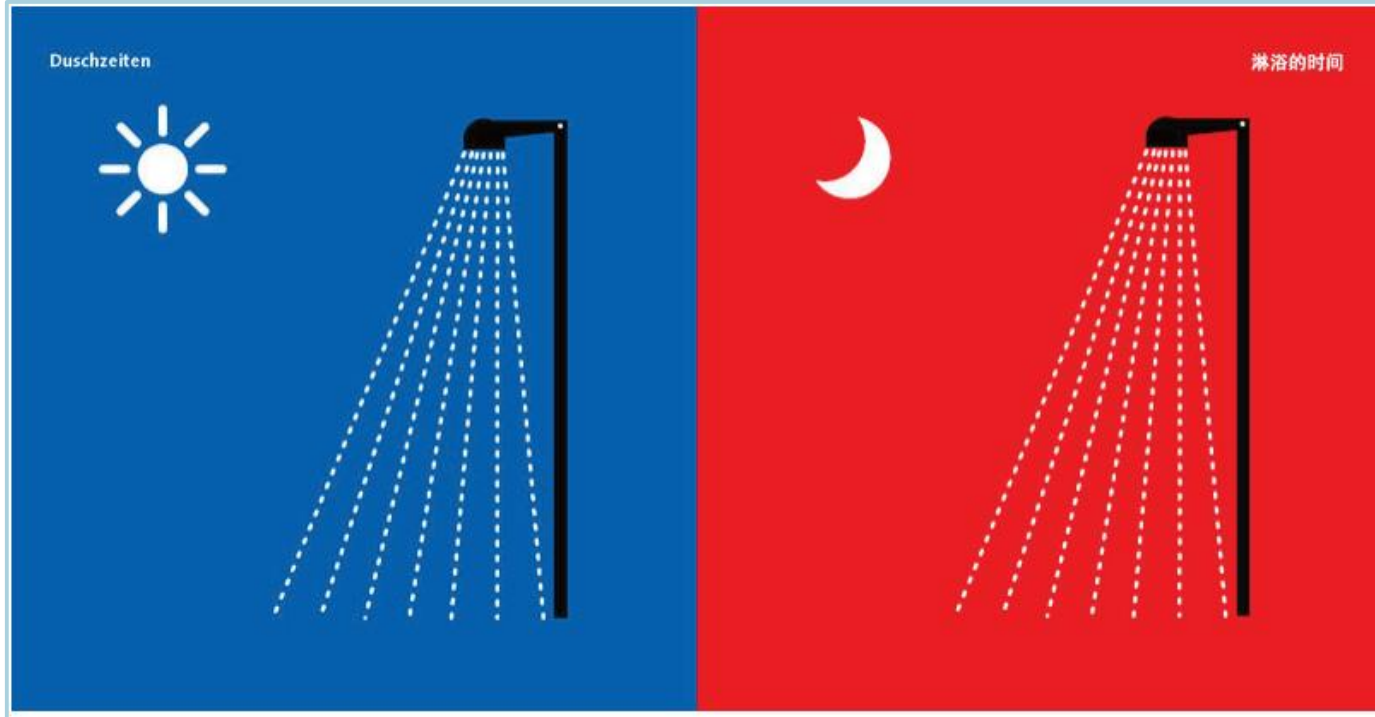
Chinese Culture Essentials



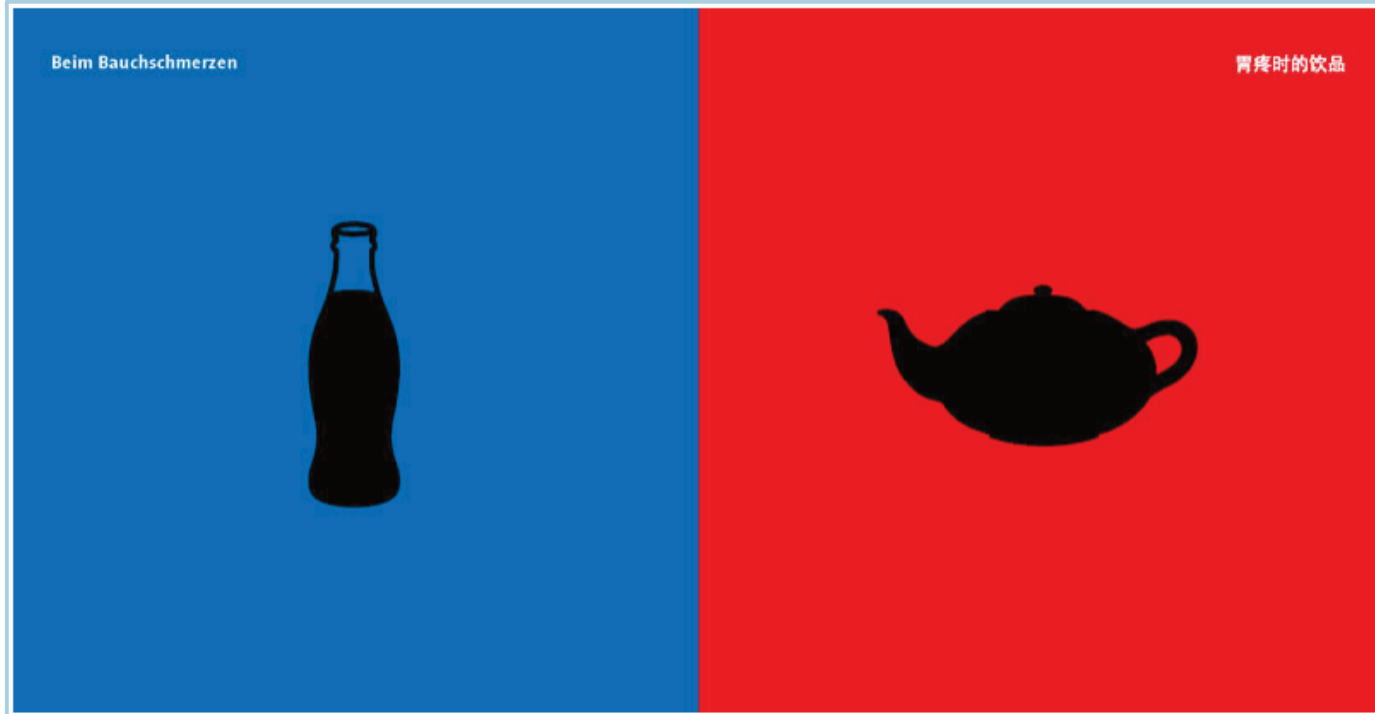
Daily Meals



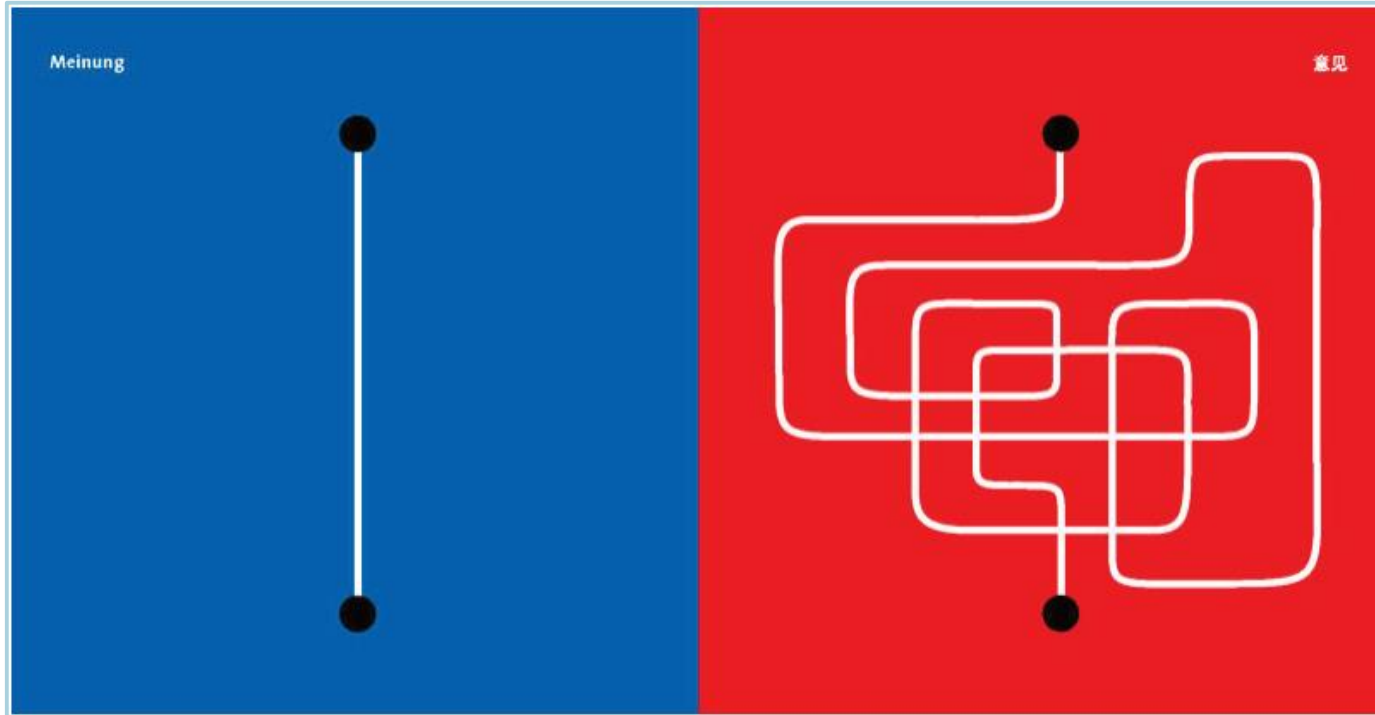
Shower Time



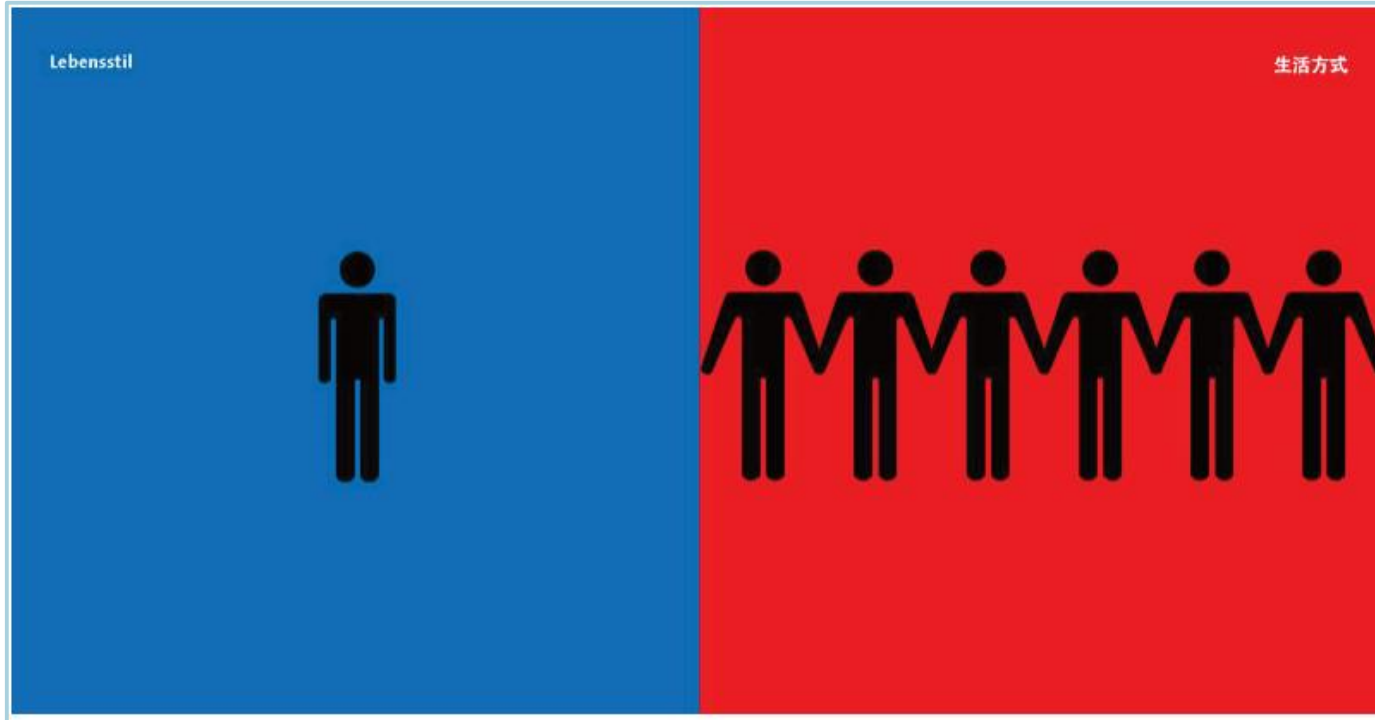
Dealing with Stomach Ache



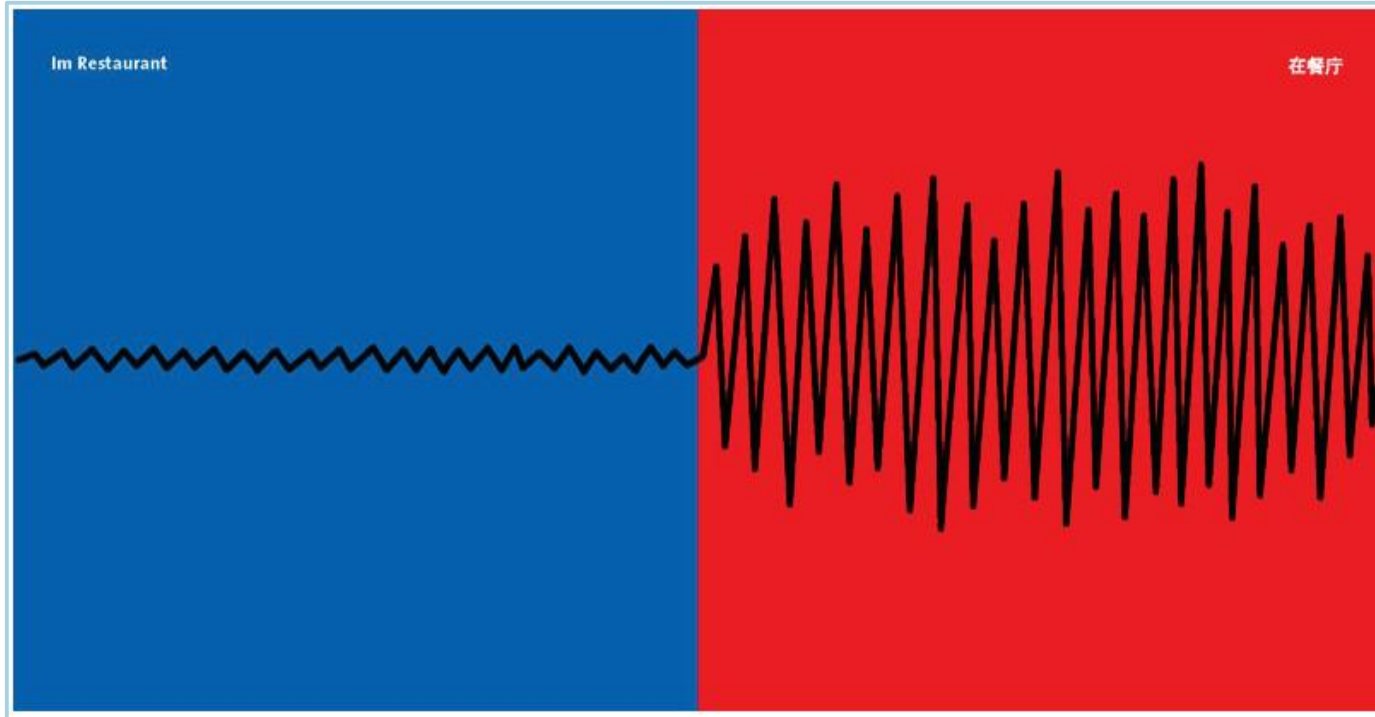
Expressing Opinion



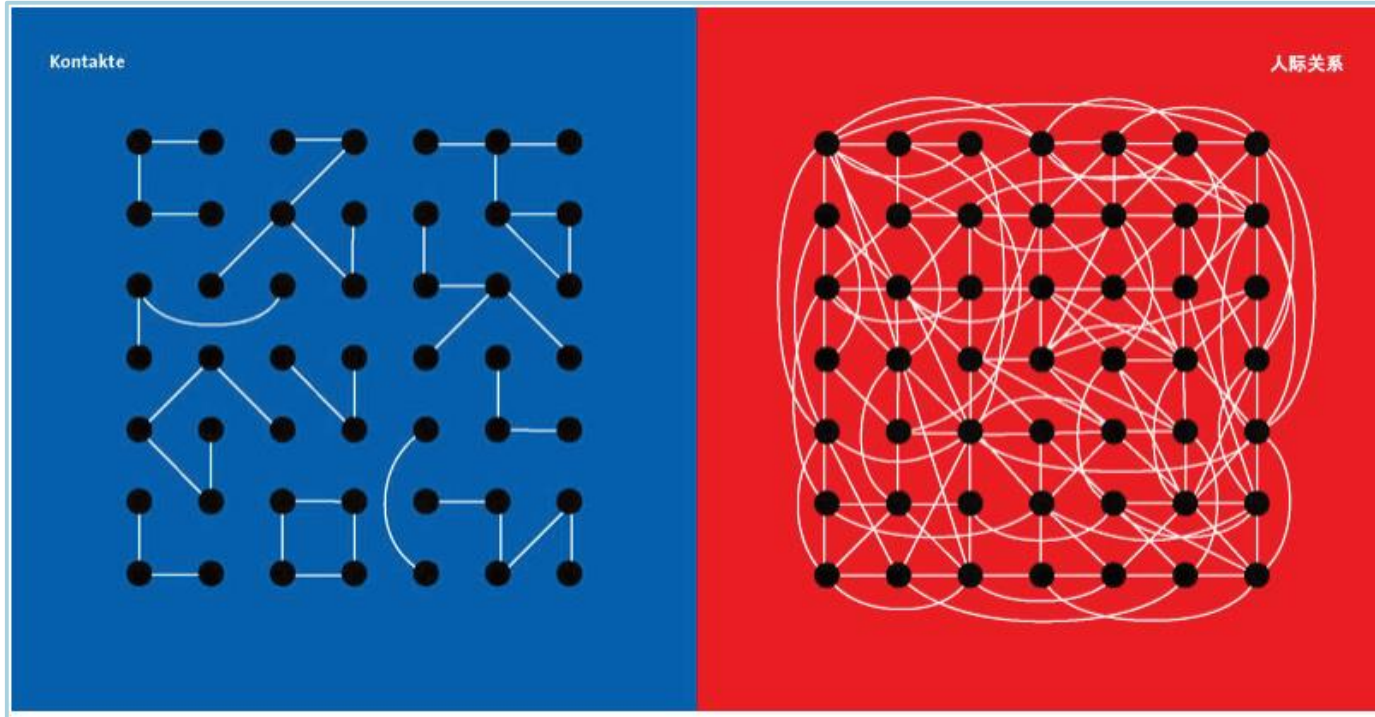
Lifestyle



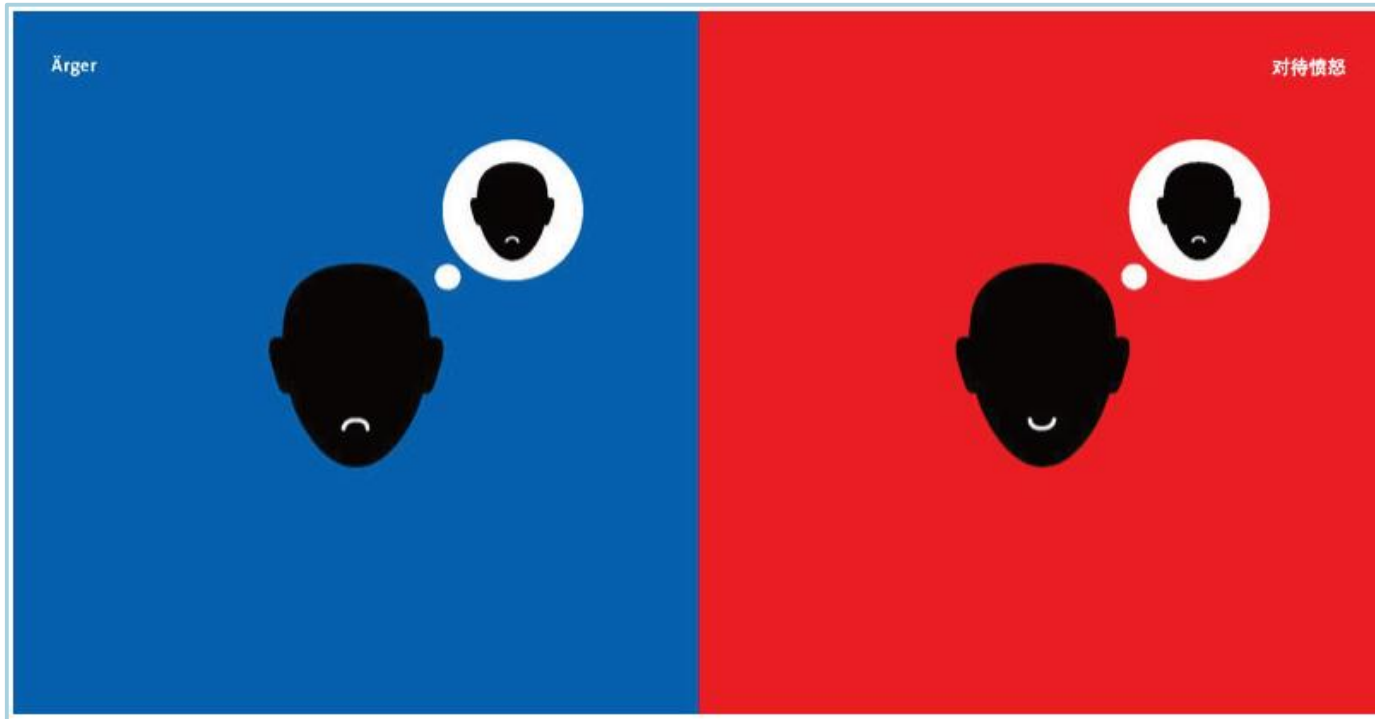
In a Restaurant



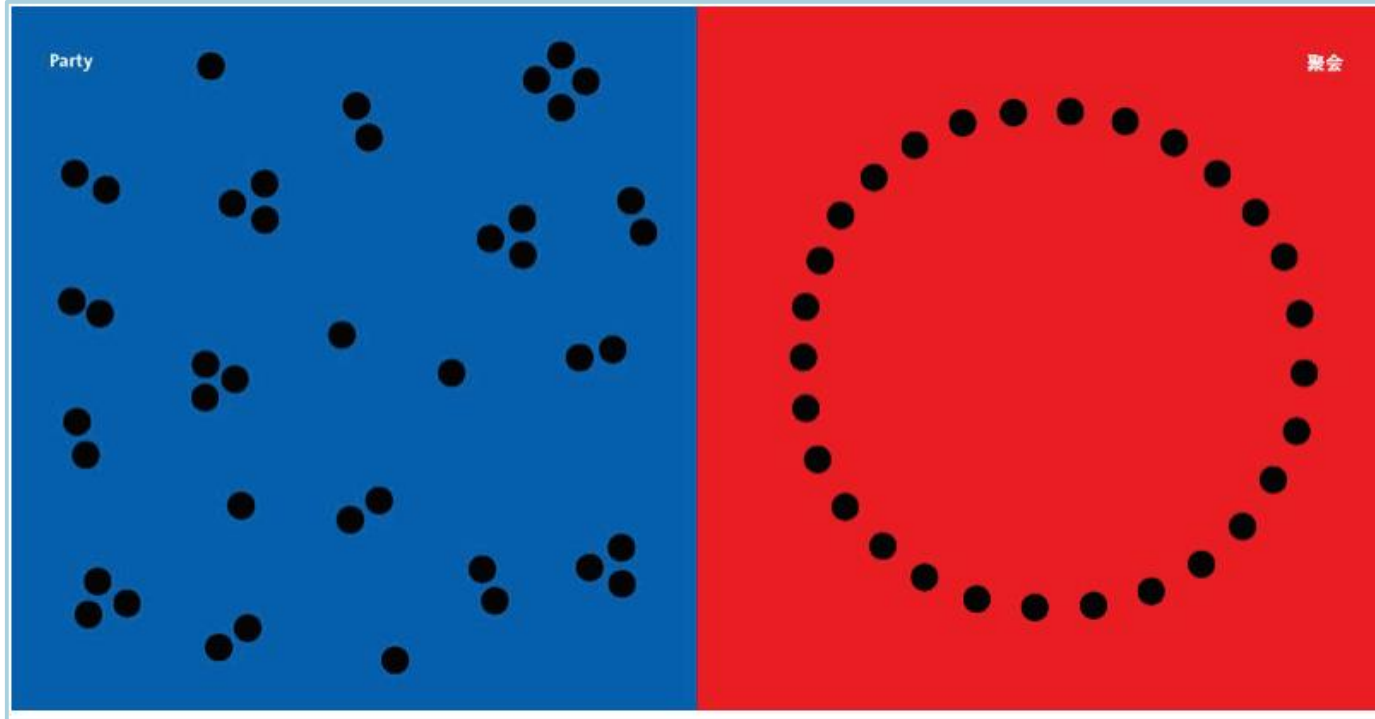
Contacts



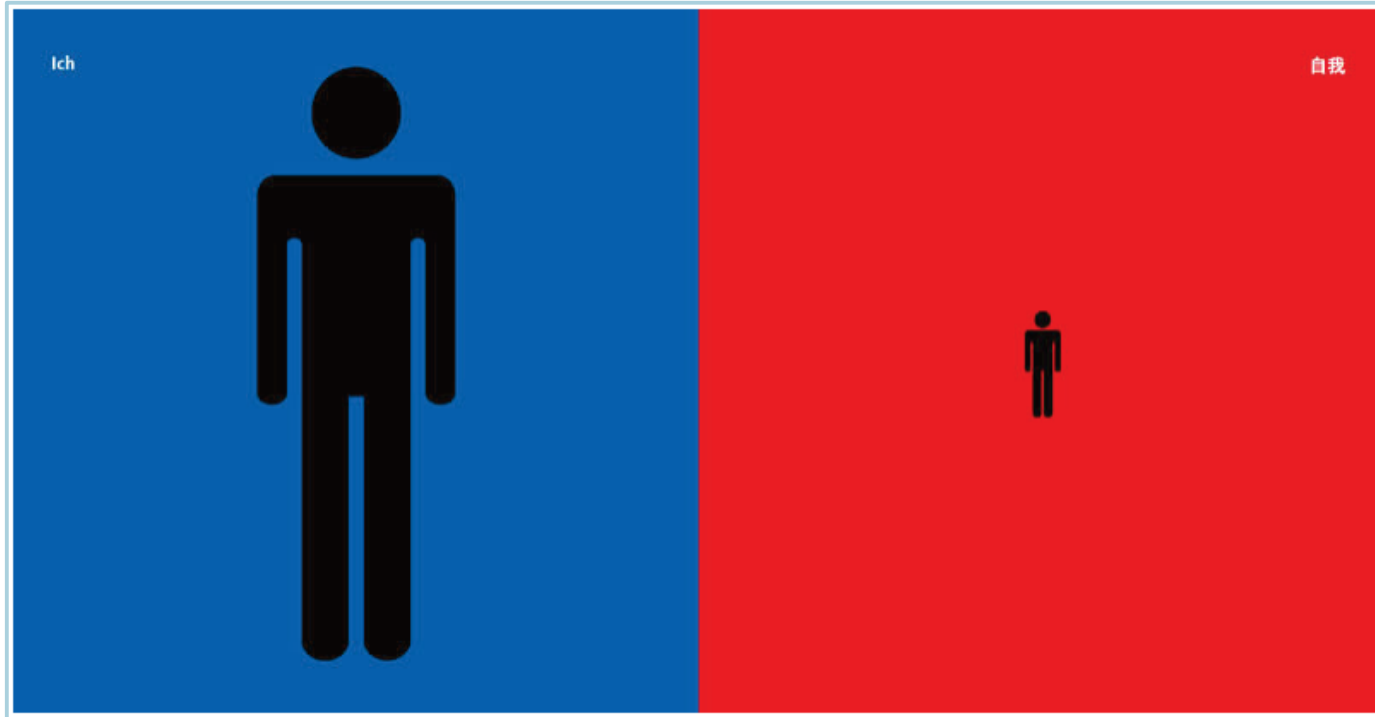
Expressing Anger



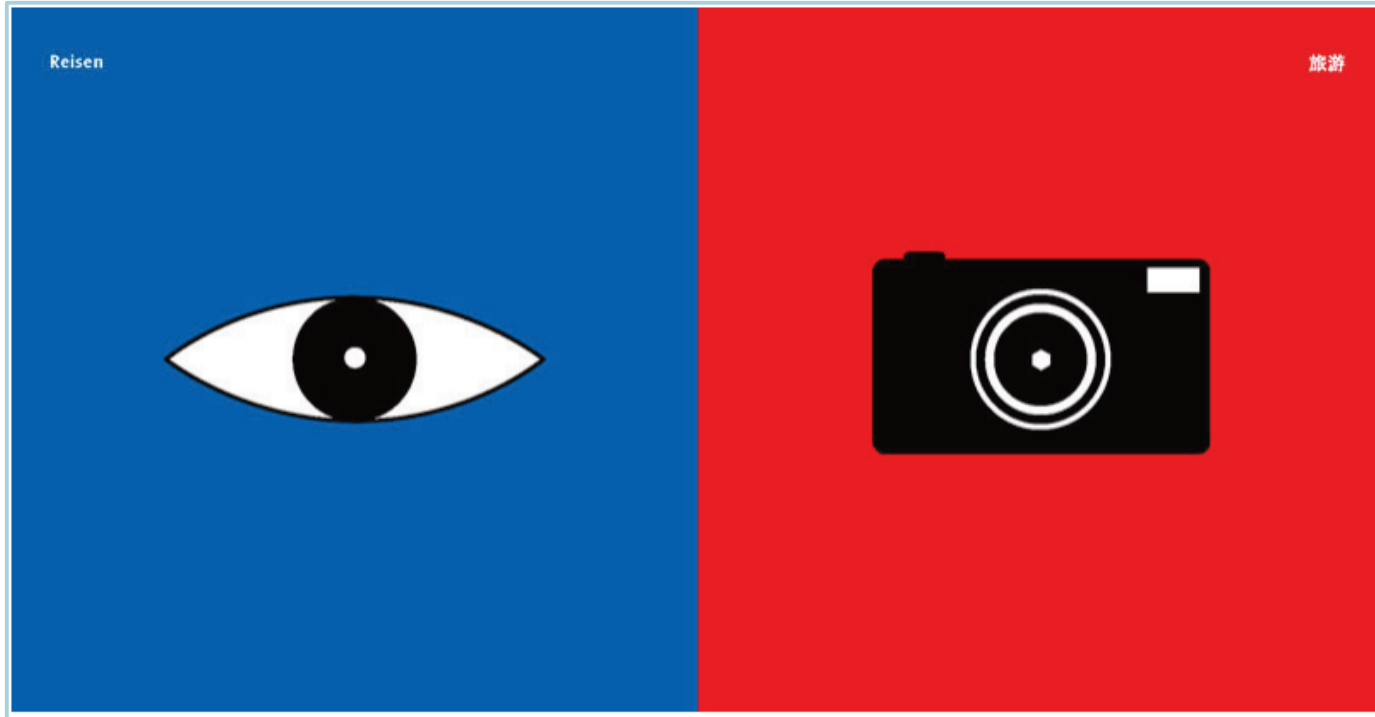
Parties



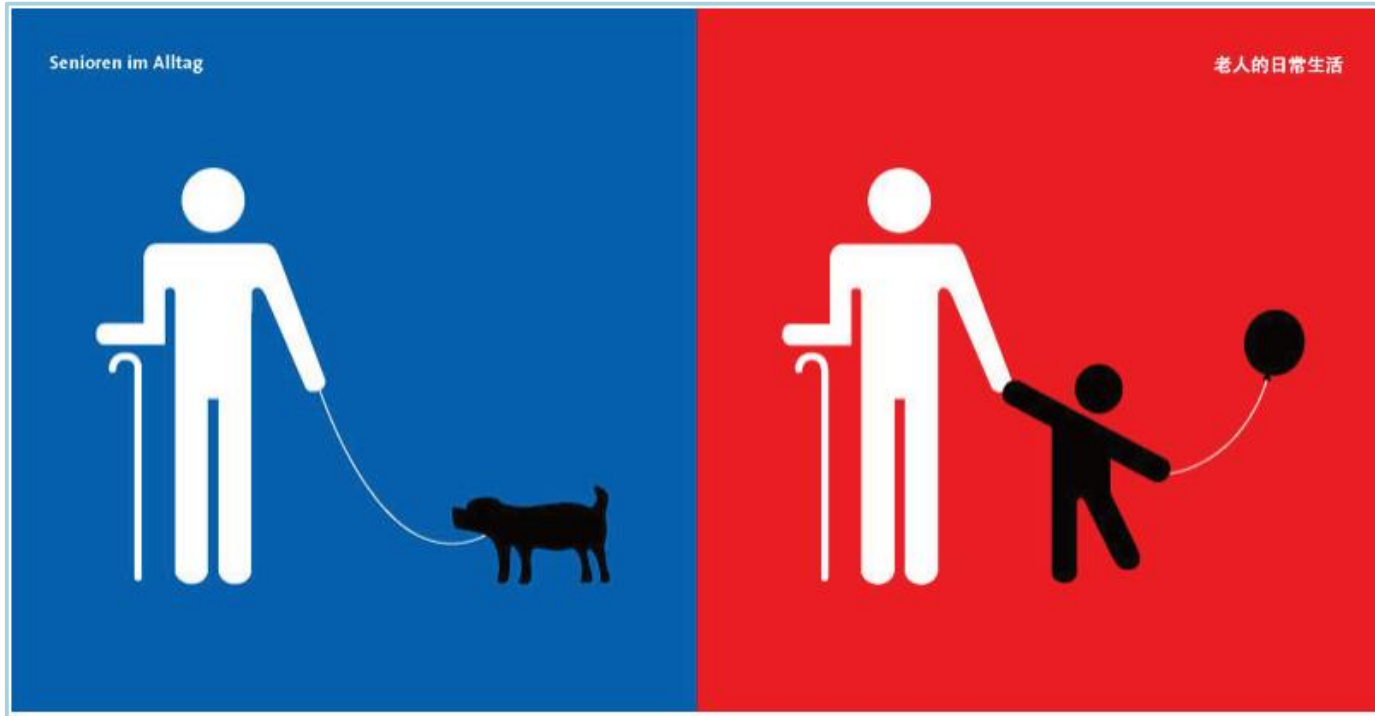
View of Self



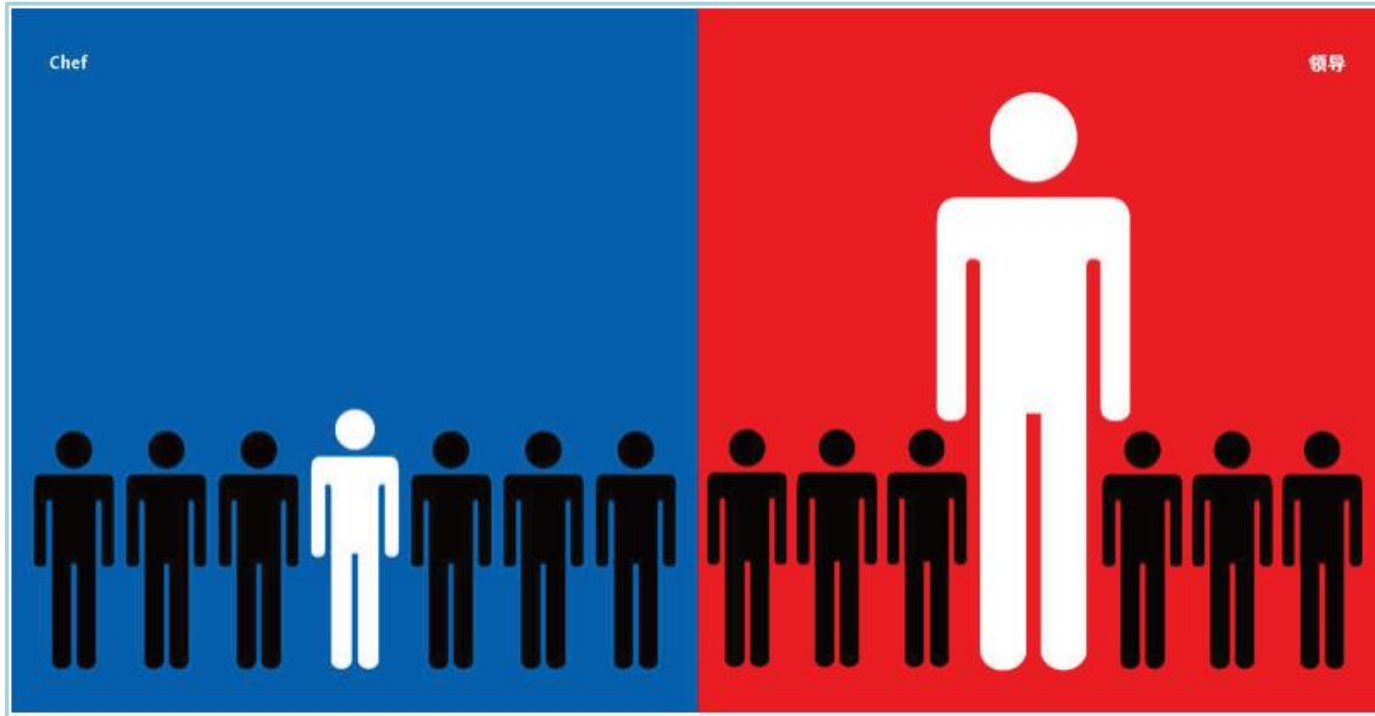
Travel



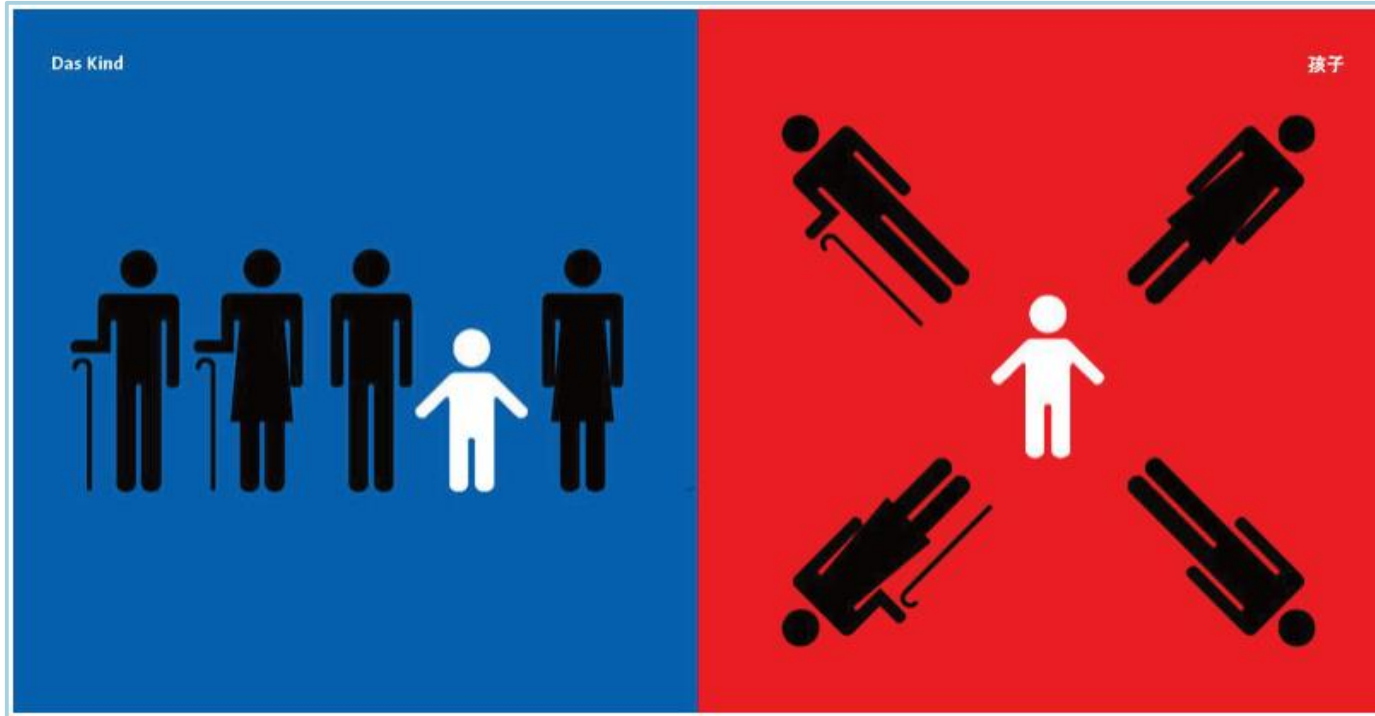
Senior Living



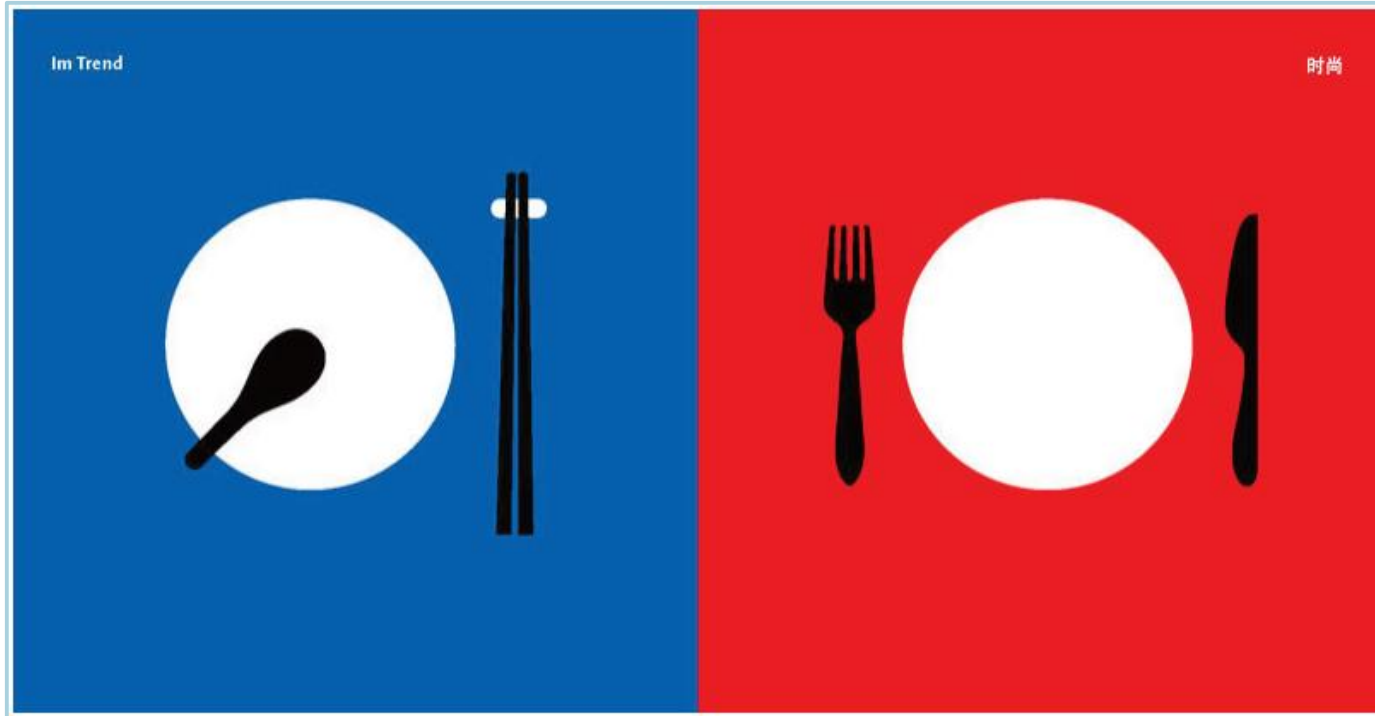
Boss



Raising a Child



What's Trendy



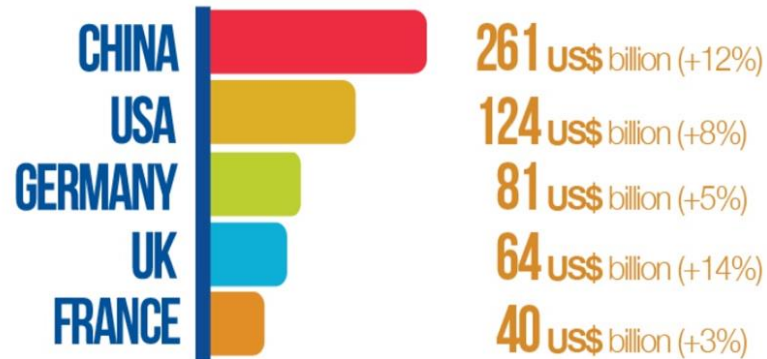


The Changing Chinese Tourist

The World's Highest Spenders

WORLD'S TOP TOURISM SPENDERS

INTERNATIONAL TOURISM EXPENDITURE 2016



© World Tourism Organization (UNWTO) July, 2017

Growing in Volume

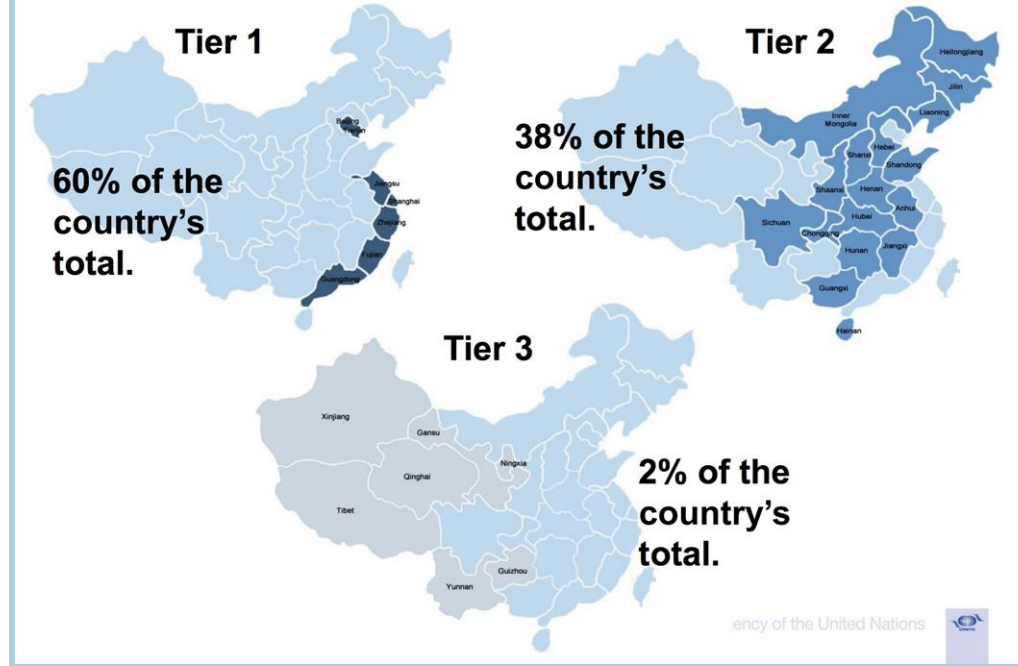
China Outbound Tourism 1996-2017 in million border-crossing



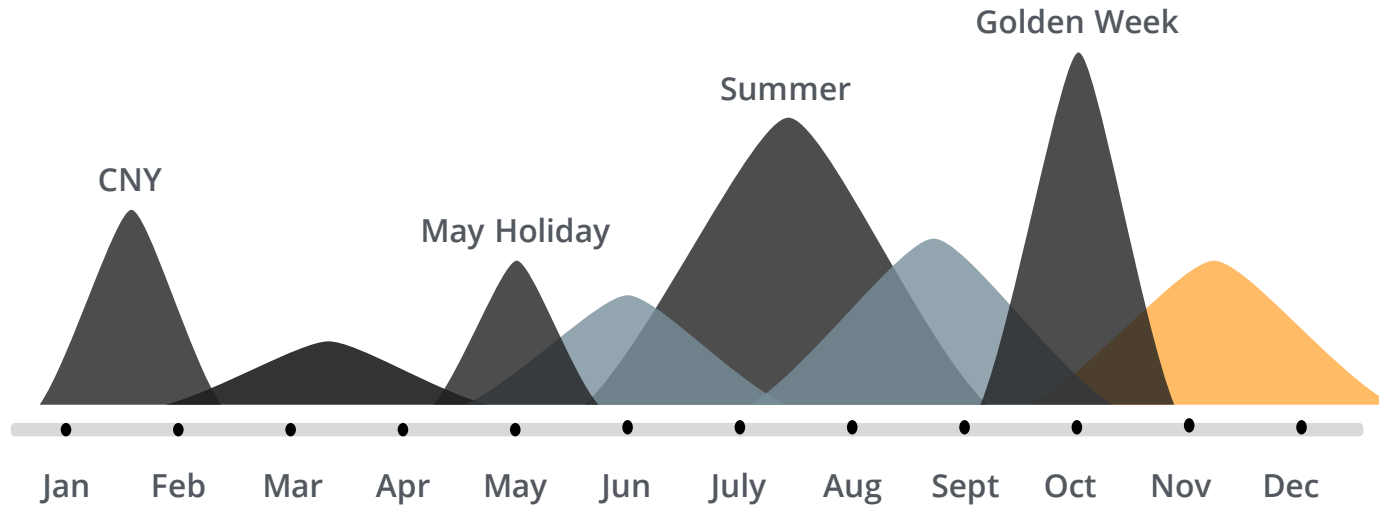
Source: CNTA.gov.cn

Driven by Major Cities

Tourists by Region



Peak Travel Time



Tourist 1.0 vs 2.0



- Hats & Flags
- Two Star Hotels
- 10 Days, 10 Cities
- Tour Buses



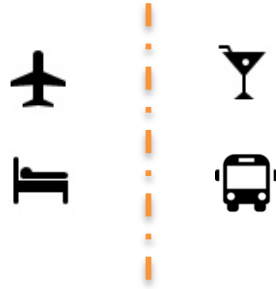
- Road Trips
- Four/Five Star Hotels
- National Parks
- Foodie Tours



Changing Travel Preferences



Package



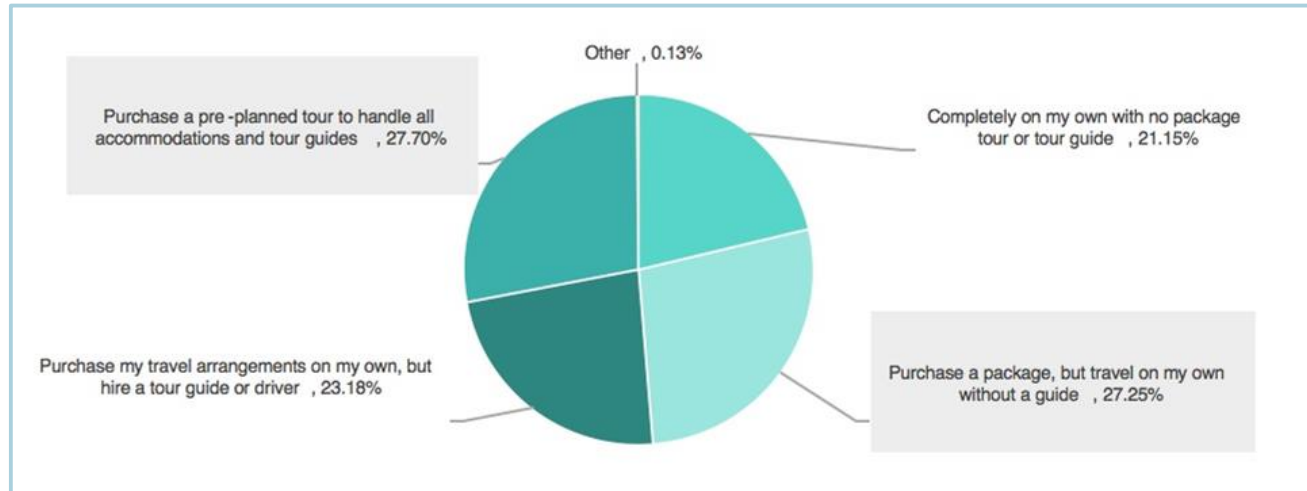
Semi-FIT



Independent



Group vs. Fit



Source: China Luxury Advisors/ Resonance Research April 2018

Rising Independent Travel

- Future growth from Chinese outbound tourism led by an entirely new generation of free independent travelers (FIT).
- Love **out-of-the-ordinary** experiences rather than a laundry list of the usual attractions.
- Demand more **individualized travel products** and services, requiring DMOs to target them with a range of strategies and communication channels.



Diverse Audience Groups

Tourism Consumer Demographics

- **The Chinese Baby Boomer**
 - 65+ estimated to be 219 million by 2030
 - Prefers long-distance travel and takes longer trips
- **The Millennials**
 - 414 million millennials, 31% of current population
 - Technologically savvy



UNWTO - a Specialized Agency of the United Nations



Millennials Leading Growth



87% of Chinese travelers under the age of 40; 80% of whom has a Bachelor degree or above.



Two thirds (66%) of this group belong to the high-income bracket



Outspend their parents and grandparents by as much as 40%.



Will drive 55% expansion in China's consumption spending over the next 5 years.

Source: China Daily; National Bureau of Statistics of China

Who Are They?



Chinese millennials are independent, optimistic about their future, and seeking ways to showcase their individuality and self-expression. They are adventurous when they travel. When it comes to shopping, they are more likely to embrace independent designers or niche brands to show their unique taste.

Source: GGV Capital

And they are highly digitally focused!

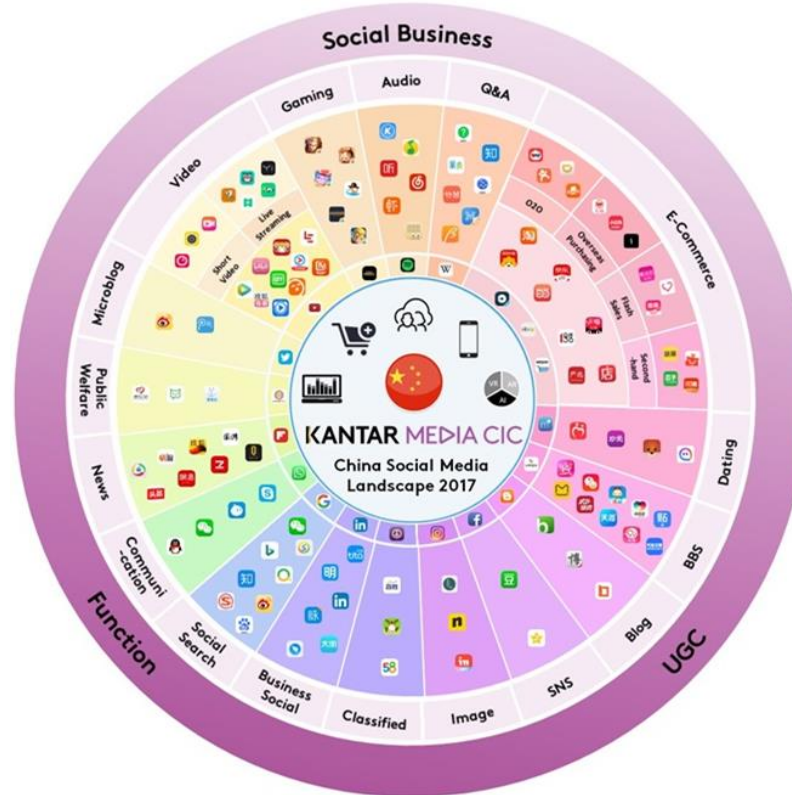


The Digital Experience

Understand Their Travel Journey



China's Online Ecosystem



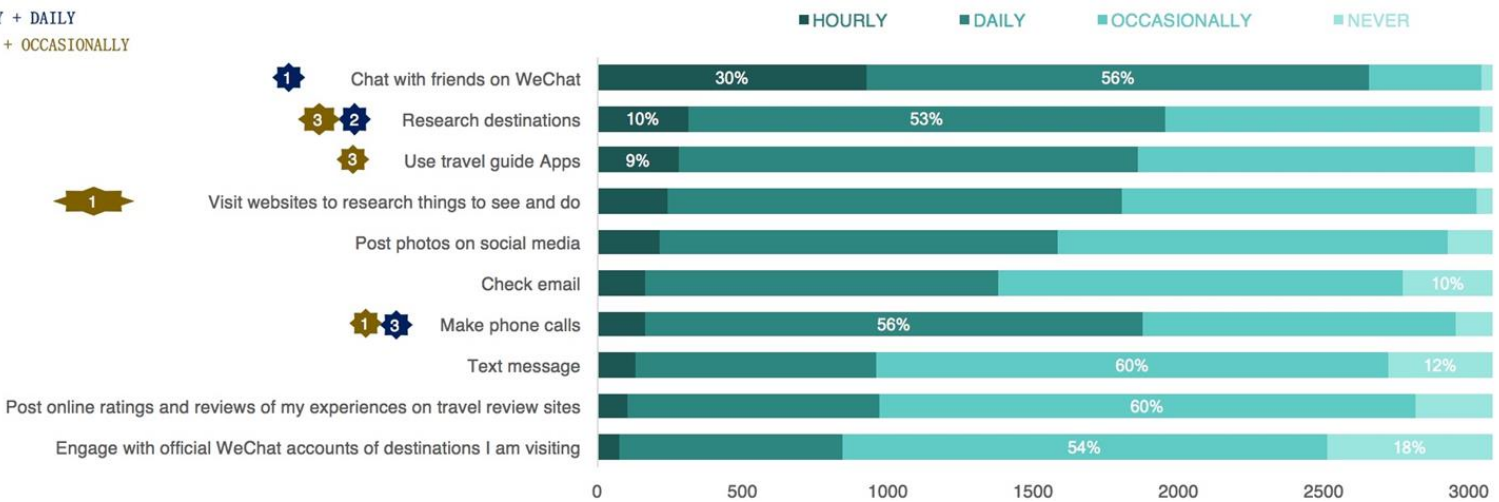
Global Population Centers



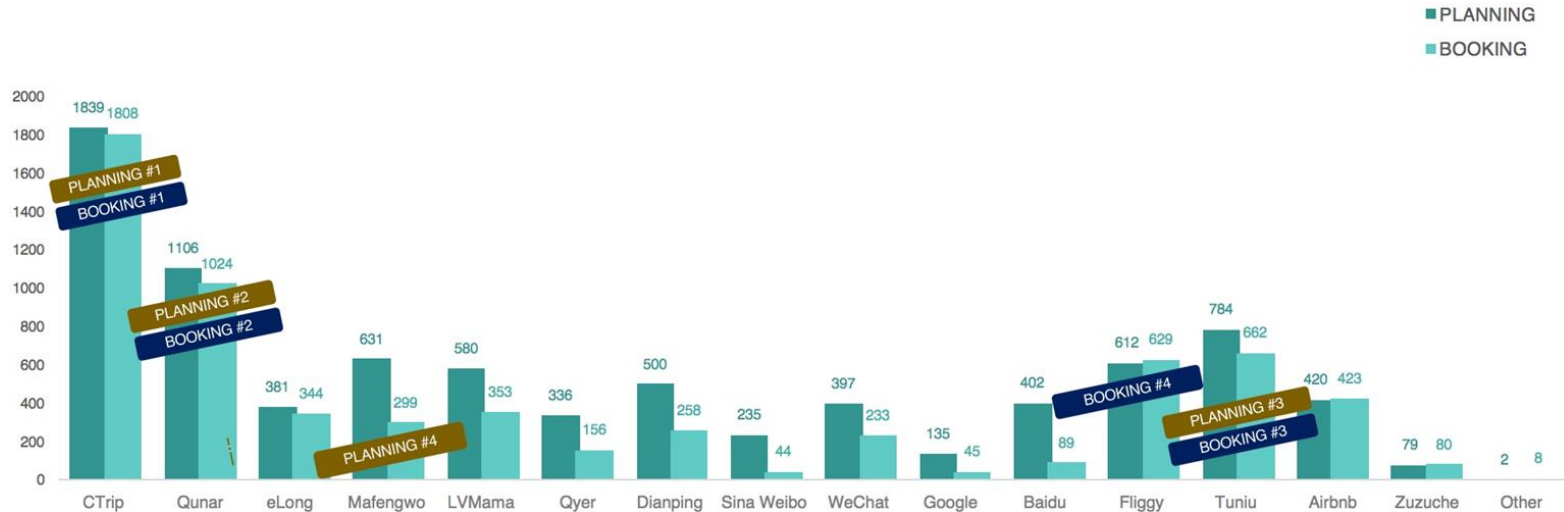
Facebook Social Media Centers



Digital is Active Pre + During Travel



Platforms: Booking & Planning

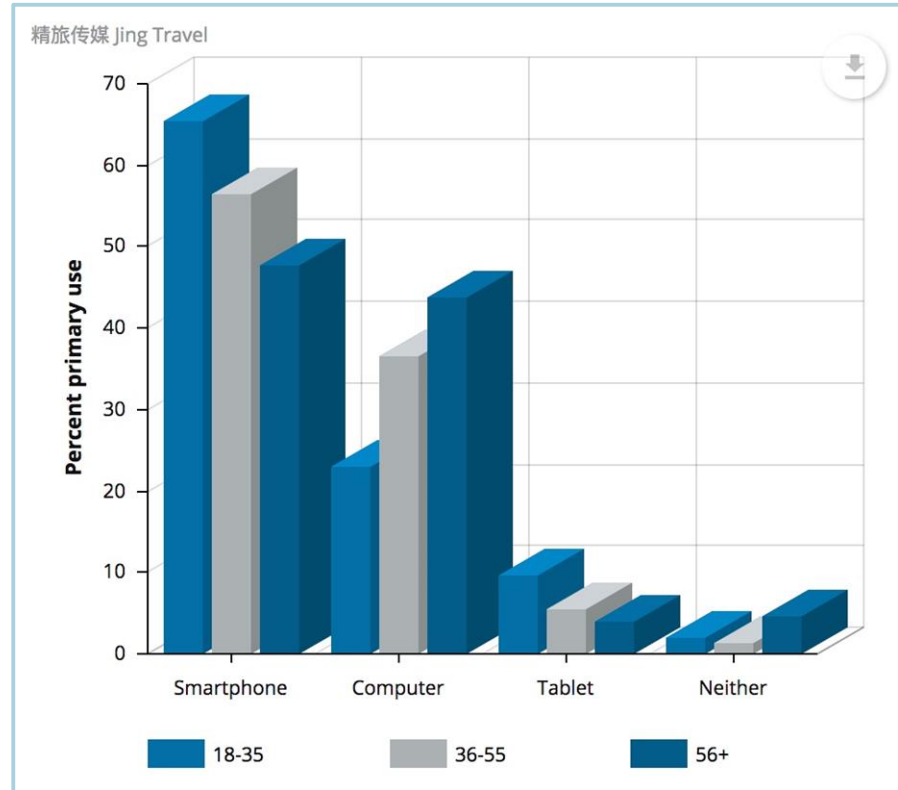


Mobile is Key

Mobile Technology

Graph shows primary device used to research travel by age.











Source: Eyefortravel's Chinese Consumer Survey 2017



Social Media: A Primer

With Western social media platforms blocked in China, brands must use home-grown alternatives, which dominate the market and have unique ecosystems.

Most tourism destinations focus their efforts on Weibo and WeChat.

	North America		China	
Public Broadcasting	Twitter		Weibo	
Personal/Brand Platform	Facebook		Douban	
Video Streaming	YouTube		Youku/Tudou/iQiyi	  
Closed/Private Communication	WhatsApp		WeChat	



WeChat Deep Dive



WeChat Social Interface

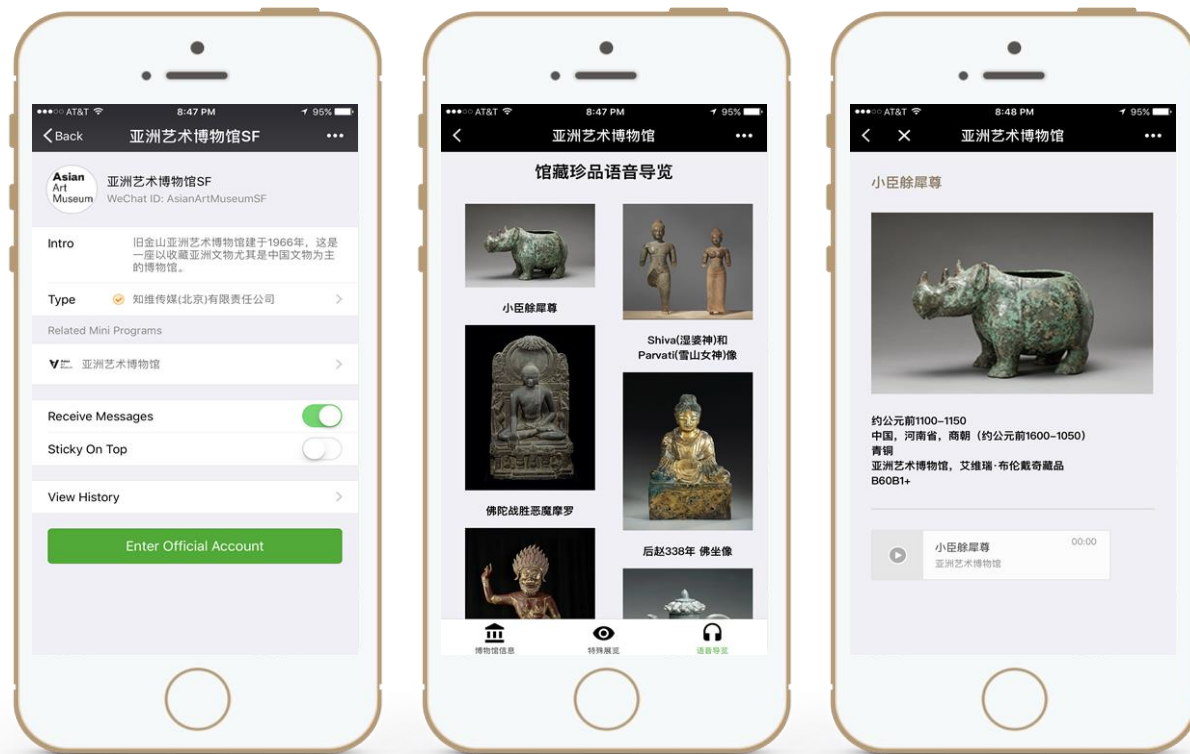


WeChat Official Accounts

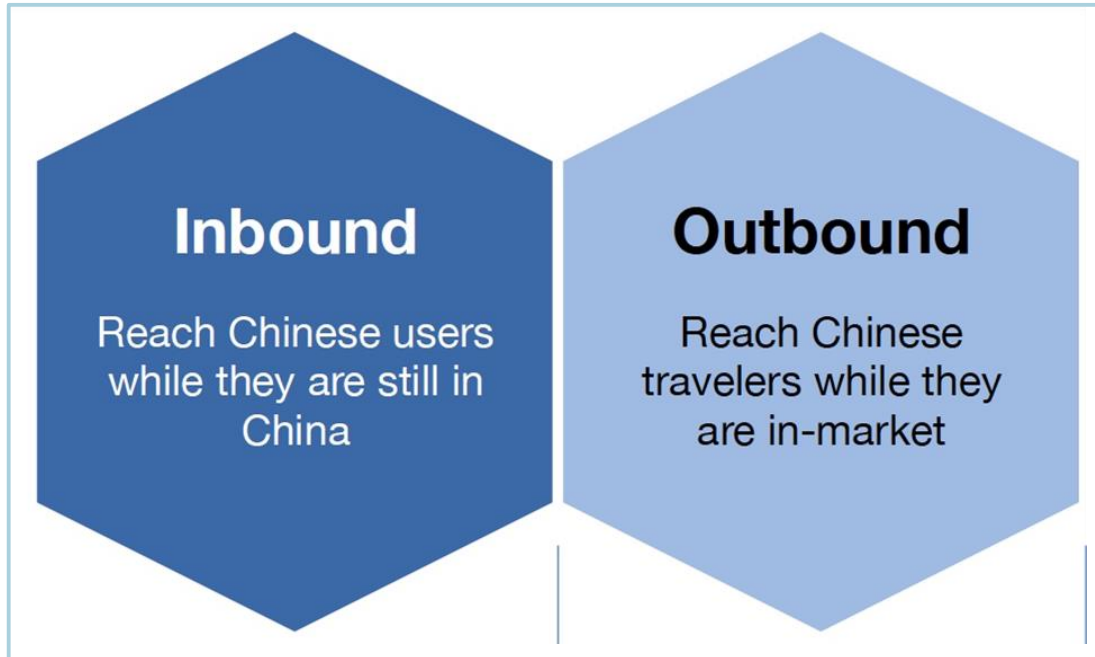


- Menu interface provides easy navigation to rich content.
- News articles can be translated and posted in news feed, pushed automatically to opt-in subscribers on a daily or weekly basis.
- Business can set up auto reply functionality to automatically answer FAQs and allow mobile customer service.

Mini Program: WeChat App



WeChat Advertising



New targeting options allow for targeting travel intenders before they leave, and retarget once they arrive in-country.

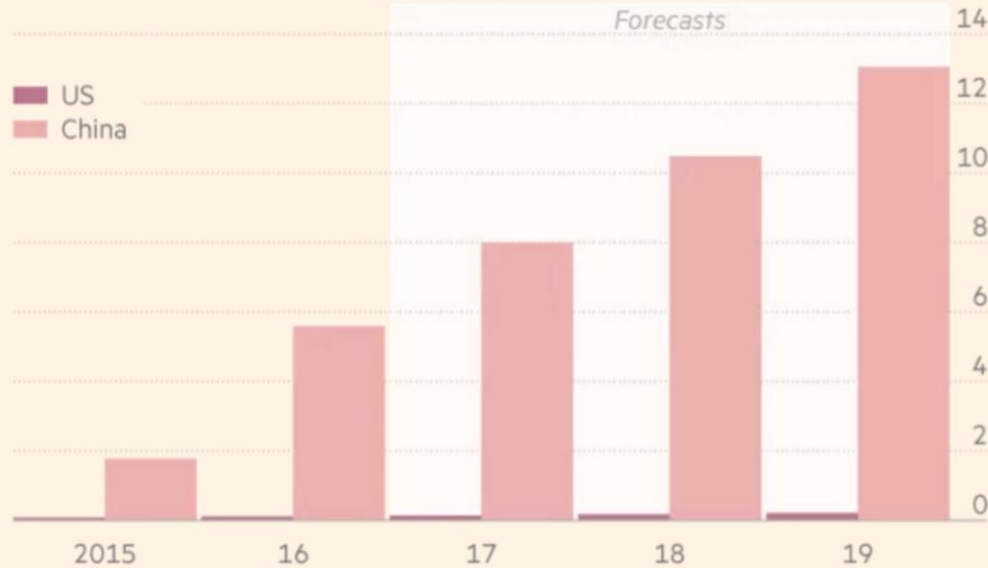
Mobile Payments



Mobile Payments Boom

China mobile payments dwarf US

Transaction value of third-party payments (\$tn)



Post-2015 figures are forecasts; renminbi values converted to US\$ at current exchange rate
Sources: Forrester Research (US); iResearch (China)

FT

Why Mobile Payment

Safer

Chinese banks offer very little protection when it comes to fraud. All credit card transactions in China are protected by pin code.

More

Consumers can search, purchase and pay in one

Convenient

platform.

Lower

Mobile payment processing rate is lower than credit cards.

Processing

Fee

Marketing

Sometimes platforms like WeChat Pay and Alipay invest in marketing dollars and leverage their own marketing channels to promote

Opportunity

merchants.

Websites

- Chinese language content on website for pre/during/post research
- Chinese consumers still want “official” information
- Majority of Internet users access websites via mobile
- Great Firewall of China slows or blocks access – make sure to test your website in China
- Consider hosting in China or other “work-arounds”
- Plan for consumers accessing in China and during travel

Travel Forums / Blogs



- Travelers are voracious users of user travel forums such as:
 - Ctrip
 - Mafengwo
 - Qyer
 - Qunar
 - Lvmama
- Official and Nonofficial options for curating your page
- Photo shown: Travel Forum Lvmama's Top 10 Contributor. Blog has more than 14 million views.

Online Travel Agencies

- Ctrip now dominates China's OTA market with its recent acquisition of Qunar.
- The online market is expected to reach 860 billion yuan (CAD\$172 billion) by 2018, up from only 131.4 billion yuan (\$21 billion) in 2011.
- The package tour segment is experiencing particularly strong growth, as well as online car rental services.
- Opportunities for collaboration are vast, ranging from booking to advertising to store/offer listings.





FAQs and How-To's

How To: Work with Chinese Travel Trade



Volunteer to host China FAM trips with AOT



Host a receptive operator/tour guide FAM event in cooperation with AOT at your location



Build one-on-one relationships with Chinese tour guides/operators



Find ways to engage the Chinese travel trade that visit your business



Build your own database



Maintain ongoing interaction/regular updates and outreach



Participate in AOT's Sales Missions in China



Attend U.S. based travel shows

How To: Engage On Online Forums



Audit travel forums and review site for business presence



Add official pages/listings on travel forums by working with AOT's co-op programs such as C-Trip flagship store



Reach out to travel forum administrators/influencers to provide information



Analyze pros and cons of comments



Post relevant news/updates on the travel forums

How to: Update Website with Simplified Chinese



Translate introduction and key facts



Place driving directions and instructions for parking/entrance



Indicate whether your location has Chinese information on-site and whether there are Mandarin speakers



Link to any relevant articles, social media or other Chinese resources



Make sure your site can be easily accessed by mobile



Ensure loading speed and Baidu search-ability

How To: Build Social Media Presence



Provide information (and photos/videos) to AOT to share on their Weibo and WeChat accounts or start your own account



Engage Chinese influencers to increase following



Develop partnerships that increase following and interest



Utilize WeChat for on-site service enhancements and engagement



Create content that is relevant and engaging for Chinese audiences



Create offline-to-online opportunities: leverage the peak tourism season to build your social media following



Incentivize sharing to create positive word of mouth associations

How To: Train Your Staff



Provide China Ready trainings for your staff



Create your own list of Do's and Don'ts for Chinese tourists



Create policies and procedures for handling Chinese tourists and travel trade



Hire Mandarin speaking employees or interns, if possible



Create list of short questions to ask tourists



Translate materials into simplified Chinese (menus, maps, must see places, etc.)

How To: Engage Visitors Directly



Engage Chinese visitors — learn how they found you, feedback on your services, recommendations



Capture contact information for CRM and ongoing communication



Identify influencers for your brands/organization



Assess mix of group versus individual travel at your business



Create opportunities to refer friends/family and create positive word of mouth



Look for avenues to increase loyalty and repeat visits



Arizona China Ready

AOT CHINA TEAM

Becky Blaine

Deputy Director

Jessica Mitchell

Senior Travel Industry
Marketing Manager

Kimberly Todd

Senior Media Relations
Manager-International

Jonathan Jiang

Travel Trade Account
Manager Based in Shanghai

Jane Dong



PR Account Manager
Based in Shanghai

WHY BE CHINA READY?

- Since 2012, the number of Chinese visitors to Arizona has increased 62 %
- In 2017, 81,400 Chinese visited Arizona
- Arizona's Location and Offerings



ARIZONA CHINA READY

- Representation in China since 2013
(Trade and Media)
-  Weibo (39,198) and  WeChat (1,803)
- www.visitarizona-cn.com
- Brochure
- Map
- Tip Sheet



ARIZONA CHINA READY

- Trade and Media FAM Trips
 - FY18 – 13 Journalists
 - 205 articles reaching an audience of 148 million
 - FY 18 – 13 Travel Trade Representatives
 - 25 Group/Semi Fit products offering AZ



ARIZONA CHINA READY

- FY 18 Trade and Media Mission
- 113 Trade Representatives and 64 Media Outlets



ARIZONA CHINA READY

- Working with ASU and NAU Chinese Student Organizations
- Sister Cities



ARIZONA CHINA READY

- Ctrip
- Expedia
- KOL - Chase Dong



WORKING WITH AOT

- Voice Your Interest
- Support / Host Trade and Media FAMs
- Update Us on Local Happenings
- Participate in Trade and Media Missions
- Keep us Informed of your China initiatives
- WeChat, Weibo, E-Newsletters, Press Releases

ARIZONA
GRAND CANYON STATE

新聞稿

2017年6月

亞利桑那州大峽谷國家公園與中國雲南元山世界地質公園
締結了姊妹公園協議



亞利桑那州大峽谷國家公園副團長Brian Drapcaux
和雲南山世界地質公園副團長梁捷在簽署儀式上



一兩家地質公園簽署的儀式（左起第五）
與作者與雲南副團長 梁捷

大峽谷國家公園和中國雲南省麗江市元山地質公園於2017年6月28日（星期二）締結了為期五年的姊妹公園協議。

亞利桑那州大峽谷國家公園副團長Brian Drapcaux和雲南山世界地質公園副團長梁捷在簽署儀式上簽署了協議。雲南省的門戶城市——麗江市的麗江市市長楊成斌、雲南山口降品及工作人員、梁捷后代表、大峽谷副團長、雲南市政府官員前往大峽谷參加了儀式。大峽谷國家公園的領導和大峽谷協會代表、國際秘書、國際秘書處和亞利桑那州旅遊局相關人員也在大峽谷一個獨特的觀景台見證了這一儀式。

2007年11月1日，大峽谷國家公園和雲南山地質公園在中國雲南山初步簽署了姊妹公園協議。和峽谷關係的是，雲南山也是以雲南麗江為起點的雲南鐵路。此外，兩公園之間在自然、自然和文化遺產中的相似性事兩公園間將努力維護不協定的重要因素。



大峽谷國家公園 Grand Canyon National Park



雲南山地質公園 Yuan Shan Geopark

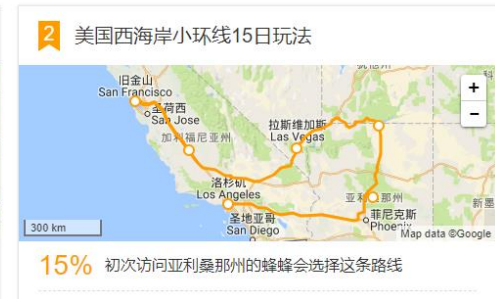
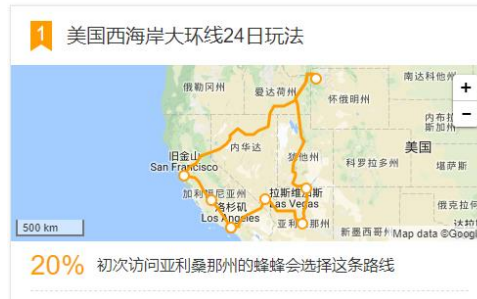
ARIZONA
OFFICE OF TOURISM

GOING FORWARD

- Digital Focus
- Mission in December
- 2nd Tier Cities
- FAM Trips
- University Events
- Tool Kit and Resources



亚利桑那州6条经典路线



**Thank
You**