

# Domesticate 2017



In 2017, Kantar TNS Australia has taken their annual syndicated study to China, a key inbound market for Australia, looking at Chinese travellers' mind-sets and attitudes to travel.



## People want to find themselves again

### Concern if the economic bubble is going to burst

China has been a confident economic powerhouse in recent times; however, that confidence is starting to fade. Concern is growing around whether China's economic strength will continue or if the bubble will burst, particularly as the inequality gap continues to grow between the rich and the poor.

### Old Chinese culture is making a resurgence

Chinese people can afford to enjoy life more and there has been a shift in emphasis to quality of life – people are more willing to spend on travel, property, and shopping. Chinese travellers want to 'find themselves again' and nourish their souls through new experiences; however, if money gets tight, holidays are on the sacrifice list.

## Learning is the way to Chinese travellers' hearts

### Travelling to have new experiences and learn new things

China as a whole is gaining experience and this is translating as wanting new things - Chinese travellers are motivated to travel outside Asia to experience new things and meet new people. There is a desire for travel experiences which completely differ to everyday life and where there is an opportunity to learn – different customs, cultures, languages, cuisines, scenery, and activities.

### Top 5 motivations for travel outside Asia



**44%**  
to relax



**39%**  
to try something new



**37%**  
to feel excited  
by new experiences



**30%**  
to reward myself  
for hard work



**28%**  
to meet interesting and  
friendly local people

## Simple, unique, shareable experiences

### Australia's natural charms are compelling

Australia provides what Chinese travellers are looking for in terms of a clean natural environment, but also exotic and curiosity satisfying experiences that are 'brag worthy' and unique to share with friends and family back home. Australia is known for its fresh produce, beef, and seafood, and trying local cuisine is an important component of an Australian holiday.



Sydney remains as the most visited Australian destination among Chinese travellers (81%) with more than half (54%) spending 1-3 nights in Sydney in the last 12 months, and around 28% have visited Regional NSW. Chinese travellers are most likely to consider visiting Sydney than other Australian destinations in the next 12 months (81%), with 40% considering Regional NSW.

## Chinese travellers are becoming more experimental

### Group vs. FIT travel

Chinese travellers enjoy the spontaneity, adventure, and flexibility that comes with independent travel, and at home this is their preference; however, outside Asia, group travel provides a safety net, particularly when travelling with elderly companions or children.

### Australia – the semi-FIT opportunity

Although Chinese travellers associate overseas travel with group tours, Australia is moving into semi-FIT territory – Chinese travellers want to do self-guided holidays in Australia with family and friends. The Australian travel industry needs to respond and create appropriate packages with pre-booked accommodation and flights but flexible itineraries.



### C-trip, Weibo, and WeChat are critical to the full travel cycle

Chinese travellers are highly digitally and socially engaged and digital platforms along with word of mouth are highly influential on holiday decisions - travellers look to WeChat and Weibo for family and friends' opinions, C-trip as a one stop shop for travel information, and more than 4 in 5 share their holiday experiences on WeChat as they travel.



Despite efforts there is a lack of cut through in advertising the Australian offer, creating a barrier to Chinese travellers visiting Australia. Having a cohesive and greater presence on social media and apps like WeChat, Weibo, and C-trip will help make Australia more visible to Chinese travellers and make it easier for them to take Australian holidays.



### The Share Economy: China is leading the way

#### The share economy has seamlessly integrated into everyday life

China has been quick to adapt to the share economy and has emerged as a global leader – in 2015 the share economy was worth US\$299 billion and is expected to grow 40% by 2020. The share economy is an integral part of younger Chinese people's lives and is enabling China to become a cashless society. It is critical that the Australian travel industry adapts the offer to account for this shift in way of life to meet Chinese travellers' expectations.

#### Enhancing overall life... though barriers still remain

Life is more convenient for Chinese travellers with the share economy which is more affordable and better value for money. Instead of booking ahead, they are booking in the moment from the comfort of home and travel is more affordable – they can interact more with local people and have new experiences, meeting key travel motivations. However, for 1 in 4 there are still concerns around safety and quality standards.

#### Share economy providers are a major player in the accommodation market

Share economy providers account for 10% of the overseas accommodation market for Chinese tourists and can build on their strong image and grow through both new and repeat customers. While luxury hotels are best poised to gain market share from share economy providers, all traditional accommodation providers should look to communicate the value of their offer and provide greater personalisation and customisation to grow.

**What is the share economy?**  
The share economy is typified as an online platform that connects buyers and sellers, and usually incorporates a peer review system where goods are rated and reviewed to build trust and create a minimum standard.

**Current market share of share economy homes among Chinese travellers in the overseas travel accommodation market:  
10% = 13 million Chinese tourists per year**

If you would like further information about Kantar TNS Domesticate please contact:

**Ed Steiner**

**Director, Travel and Leisure**

**E: [Ed.Steiner@tnsglobal.com](mailto:Ed.Steiner@tnsglobal.com) or visit [www.tnsaustralia.com.au](http://www.tnsaustralia.com.au)**