



August 11, 2016

TripAdvisor Unveils New Behaviors Among China's More Independent and Spontaneous Outbound Traveler

Half of Chinese Free Independent Travelers Plan to Travel and Spend More in the Next Two Years

U.S. Among their Top 5 Most Visited World Destinations

NEEDHAM, Mass., Aug. 11, 2016 (GLOBE NEWSWIRE) -- With China's outbound travel season due to peak in early October, [TripAdvisor](#)® today shared findings from a Phocuswright study it sponsored, providing insights into the behavior, spending patterns and preferences of more than 3,000 outbound Chinese travelers. Entitled *China Unbounded: The Rapid Rise of China's Outbound Millions*, the study looks at all facets of Chinese travel out of the mainland, unveiling a new and changing profile of China's emerging psychographic of tourist - the free independent traveler (FIT).

In 2015, the number of Chinese outbound leisure trips grew 20 percent year-on-year to 120 million, based on figures released by the Chinese National Tourism Administration¹, with expenditure reaching US\$205.7 billion according to *China Unbounded*.

"China's growing number of 'Free Independent Travelers' present vast, untapped opportunities for global tourism service providers and hospitality businesses," said Leo Lin, chief of staff of TripAdvisor's China business, Mao Tu Ying. "Businesses with the goal of attracting Chinese FITs not only need to come up with a strong, tailored strategy, but be prepared to constantly adapt to their evolving expectations."

Who they are

China's FIT is young, well-off, self-reliant and increasingly experienced

The study revealed that China's FITs are typically young, well-educated and relatively affluent.

- | 89% Chinese FITs are adults aged 18-44, with 41% of them belonging to the Post-80s generation (aged 25-34)
- | 77% Chinese FITs had an undergraduate degree or higher and 44% earned a monthly income of US\$2,300 or more
- | A larger share of Chinese FITs come from major cities and more than a quarter of Chinese FITs surveyed lived in southern China's Guangdong province, followed by Shanghai, Sichuan province, Beijing and Jiangsu province
- | Chinese FITs have taken an average of 5.5 international trips in their lifetime, higher than the overall average Chinese outbound traveler at 5.2 international trips
- | English proficiency is reasonably high among Chinese FITs with 41% saying they can understand most English

This type of Chinese traveler is also increasingly self-reliant, preferring to organize their own itinerary and shifting away from the antiquated stereotype of pre-packaged large and escorted group tours. In fact, nine in 10 Chinese FITs purchased travel components individually for their most recent international leisure trip.

Where they're going, when they travel and for how long

They're ready to go on holiday at the drop of a hat

- | Chinese FITs have a short travel planning cycle with nearly one-third (32%) choosing their destination one to two weeks prior to their departure for their last trip
- | Nearly one in five (18%) Chinese FITs decide where to go within less than a week of their departure

Chinese FITs have a propensity for longer trips, with travel peaks in early October

- | Over a quarter (29%) of outbound trips are taken in October, and 77% of outbound trips occur between May and October

- | One in three (34%) Chinese FITs spent three nights or less on their last international trip, compared to 40% who spent 4-6 nights and over a quarter (26%) who spent seven or more nights abroad. Nearly a third of trips taken around National Day holiday (October 1st) consist of seven nights or more.

Short haul travel to neighbouring destinations continues to dominate outbound trips, with the U.S. at the top of the list when they want to travel further

Short-haul destinations in Greater China, North Asia and Southeast Asia account for more than 9 in 10 outbound FIT trips. The top three countries visited by Chinese FITs on their last leisure trip were Japan, Thailand, and South Korea.

Top countries visited by Chinese FITs on their last outbound leisure trip

1. Japan
2. Thailand
3. South Korea
4. **United States**
5. Malaysia
6. Singapore
7. France
8. United Kingdom
9. Italy
10. Canada

The U.S. is among Chinese FITs Top 5 world destinations, with New York, California, Hawaii, the District of Columbia and Washington State among the Top 5 U.S. states they visited.

Why they travel and what they want

They intend to shop but are looking for a more holistic holiday experience

The study showed that 42 percent of Chinese FITs said shopping was an important motivation for their trip, especially to North East Asian countries including Japan and South Korea. However, quality of shopping rated relatively low in importance in choice of destination, indicating that while travelers are expecting good shopping options in many travel spots, other factors play a big role in the final selection.

- | 56% of this segment are motivated to travel internationally simply by the desire to get away and relax — which seems to be the case especially for travel to South East Asia
- | 47% are lured by the desire to see natural, cultural and historical attractions.
- | The top three most important deciding factors when choosing a destination:
 - | Safe or politically stable (65%)
 - | Clean environment with low pollution (36%)
 - | Natural features and landscapes (35%)

Australia and New Zealand were rated most highly on these destination characteristics by Chinese FITs who have travelled there.

How they're spending

Their wallets are wide open when they are on holiday

The Chinese FIT spends on average US\$2,700 per trip, with 29 percent having spent US\$3,070 or more on their last trip abroad. Chinese FITs from bigger cities spent the most per trip. The difference in average spend by FIT in Tier 1 cities (i.e., massive urban metropolises with huge economic, political and cultural influence) and Tier 2 cities (i.e., smaller provincial capitals) is a mere 17 percent, pointing to the rise in purchasing power by FITs in Tier 2 cities. The biggest spenders were from Beijing US\$4,070, Sichuan province US\$3,400, and Shanghai US\$3,400.

With an average spend of US\$1,050, shopping accounted for the lion's share of Chinese FITs' international travel budget regardless of destination. Chinese FITs are the biggest shoppers during trips to the U.S. and Canada with an average shopping spend of US\$2,700.

Second to shopping, Chinese FITs spend an average spend of US\$700 on airplane tickets and US\$470 on accommodation. The average spends on dining for Chinese FITs was US\$320.

And they plan to spend more and travel more in the next two years

While short haul destinations in East Asia (especially in Greater China) remain a top choice for outbound Chinese FITs, there is also strong interest in long-haul travel to Europe, Australasia and North America in the next two years.

Nearly half (49 percent) of outbound Chinese FITs plan to take more trips in the next two years as compared to the last 12 months, and more than half of them plan to take longer trips (52 percent) and spend more (54 percent) while abroad.

¹Source: The Chinese National Tourism Administration (CNTA)

Methodology: [China Unbounded: The Rapid Rise of China's Outbound Millions](#), is based on an online survey conducted from 2-17 November 2015 by Phocuswright, a leading travel research firm. The sample is made up of 3,143 outbound travelers from mainland China who took at least one leisure trip outside of mainland China in the last year and played an active role in planning their trips.

About TripAdvisor

TripAdvisor[®] is the world's largest travel site*, enabling travelers to unleash the full potential of every trip. TripAdvisor offers advice from millions of travelers and a wide variety of travel choices and planning features with seamless links to booking tools that check hundreds of websites to find the best hotel prices. TripAdvisor branded sites make up the largest travel community in the world, reaching 350 million average monthly unique visitors**, and reached 385 million reviews and opinions covering 6.6 million accommodations, restaurants and attractions. The sites operate in 48 markets worldwide. TripAdvisor: Know better, Book better and Go better.

TripAdvisor, Inc. (NASDAQ:TRIP), through its subsidiaries, manages and operates websites under 23 other travel media brands:

www.airfarewatchdog.com, www.bookingbuddy.com, www.cruise critic.com, www.familyvacationcritic.com, www.flipkey.com, www.thefork.com (including www.lafourchette.com, www.eltenedor.com, www.iens.nl, www.besttables.com and www.dimmi.com.au), www.gateguru.com, www.holidaylettings.co.uk, www.holidaywatchdog.com, www.housetrip.com, www.independenttraveler.com, www.jetsetter.com, www.niumba.com, www.onetime.com, www.oyster.com, www.seatguru.com, www.smartertravel.com, www.tingo.com, www.travelpod.com, www.tripbod.com, www.vacationhomerentals.com, www.viator.com, and www.virtualtourist.com.

*Source: comScore Media Metrix for TripAdvisor Sites, worldwide, May 2016

**Source: TripAdvisor log files, Q2 2016

CONTACT:

Kevin Carter

kcarter@tripadvisor.com

(781) 800-5237