

Ctrip Customized Travel & COTRI

Customized Travels of Chinese Visitors to Europe

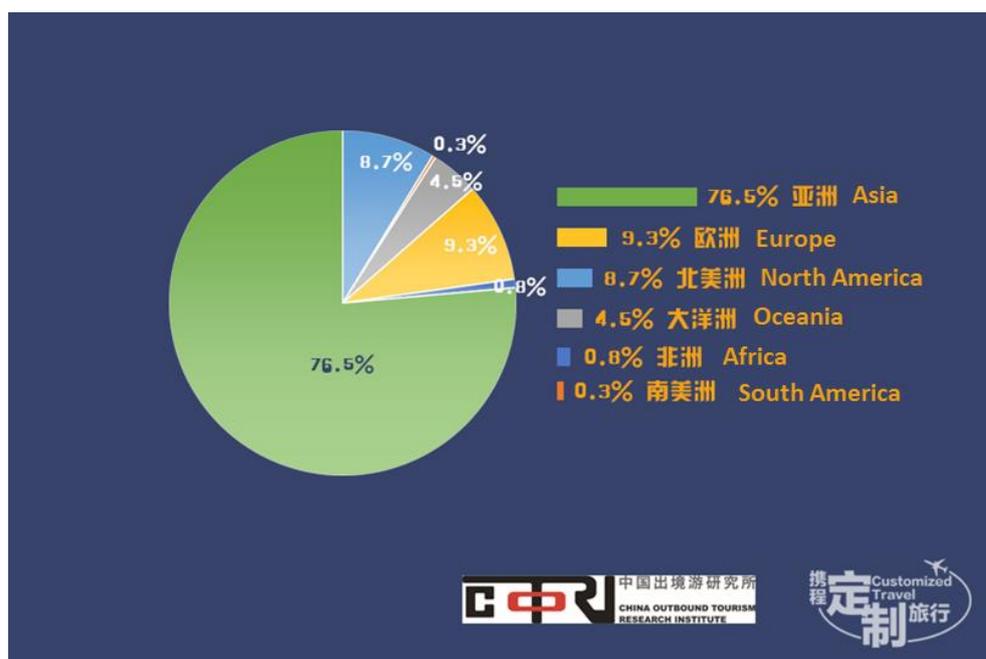
Ctrip Customized Travel and China Outbound Tourism Research Institute (COTRI) have recently co-published their first report on the topic of Chinese visitors to Europe's customized travel patterns. The report indicates that the Chinese customized travel market in 2017 is universal, young, and growing fast. Accordingly, Ctrip's dealings in customized travel to Europe are increasing significantly. European travel accounts for 10% of the whole outbound customized travel business and it saw a 130% year-on-year increase between 2016 and 2017.

As COTRI China Outbound Tourism Research Institute Director Prof. Dr. Wolfgang Georg Arlt stated, "The demand and consumption of customized travel by Chinese consumers is unique and represents a leading global market segment. Such travel patterns are not common in Western countries, where they are typically limited to middle-aged and older customer groups from high-net worth backgrounds. Customized travel in the Chinese market, therefore, is unique in that it is characterized by its popularity, youthfulness, and high growth rates."

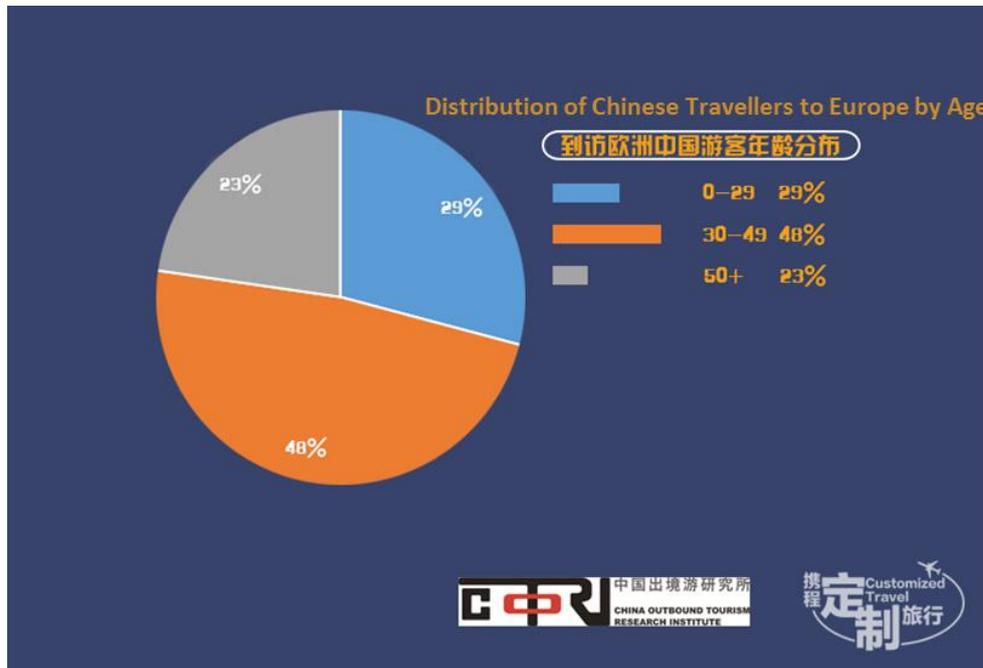
With the shift in consumer attitudes, it has been difficult to meet the individual demand of customers with conventional group tour and free tour products. China's tourism industry has entered an age of 3.0 personalized services represented by customization, while personalized customized tours have become a popular choice in mass travel.

Over six million Chinese travelers visited Europe in 2017

The data shows that the number of Chinese citizens visiting Europe by first entry in 2017 exceeded 6 million. Considering Chinese tourists from outside of Europe, as well as the fact that some travelers will visit multiple countries, the total figure is estimated to exceed 12 million. According to data from Ctrip.com, Europe was the second most-visited continent among the Chinese outbound market in 2017, accounting for 9.3% of total trips.



The gender distribution of Chinese travelers visiting Europe is similar to that of the overall Chinese outbound tourism market. Female travelers made up 53% of all Chinese tourists to Europe in 2017. This percentage is slightly higher than that of male travelers, who made up 47% of the market share. The fact that 29% of Chinese travelers that visited Europe were 50 years old or more shows that Europe has become a normal long-haul destination for Chinese travelers. Therefore, the question of how to provide customized and age-appropriate travel services to older Chinese travelers has become a challenge but also an opportunity to tourism service providers.



The UK is customized travelers' favorite European destination

40% of China's total customized travels are customized outbound travels, among which customized tour to European destinations account for 10%. The demand volumes saw a year-on-year rise of 130%.

TOP 10 Most Visited European Countries
by Chinese Travellers

2017境内中国游客到访TOP10国家

- ①意大利 Italy
- ②法国 France
- ③德国 Germany
- ④俄罗斯 Russia
- ⑤瑞士 Switzerland
- ⑥奥地利 Austria
- ⑦西班牙 Spain
- ⑧捷克 Czech
- ⑨英国 UK
- ⑩荷兰 Netherlands

TOP 10 Most Visited European Countries
by Chinese Customised Travellers

欧洲定制游TOP10国家

- ①英国 UK
- ②意大利 Italy
- ③法国 France
- ④俄罗斯 Russia
- ⑤希腊 Greece
- ⑥西班牙 Spain
- ⑦德国 Germany
- ⑧瑞士 Switzerland
- ⑨捷克 Czech
- ⑩奥地利 Austria

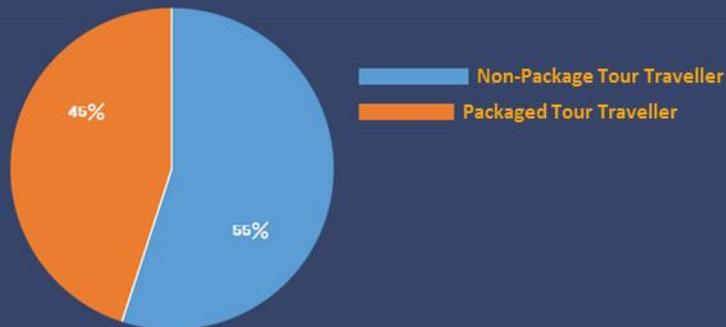


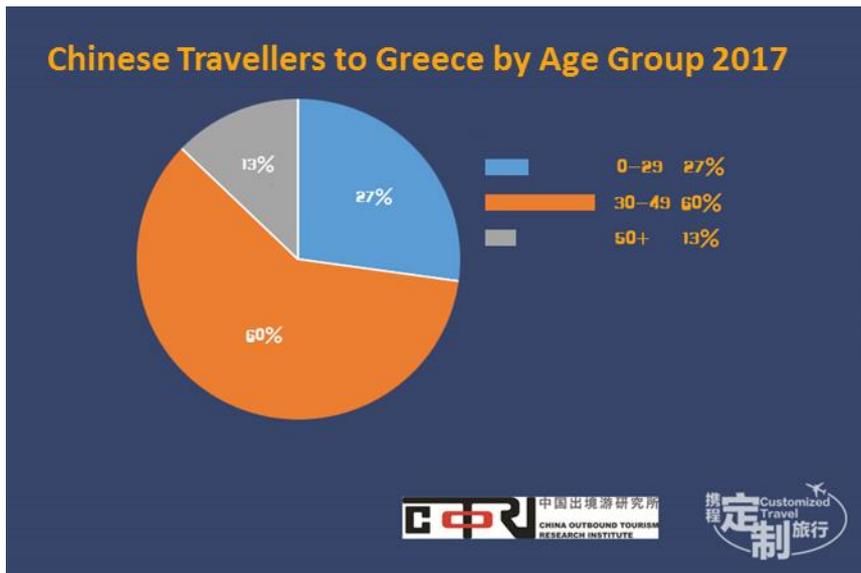
While not in the top 10 European countries most visited by the Chinese, Greece nevertheless appeared in the list of most popular countries in Europe for customized travel, while the UK came out on top.

This has a lot to do with the fact that the UK has plenty of appealing in-depth options for customized travelers, such as an abundance of diverse natural and cultural offerings. Accordingly, it is regarded as one of the most suitable European countries for solo excursions.

Although Greece is not one of the top-10-most-Chinese-visited European countries, it outshines others in the list of customized tours. With its beautiful natural scenery, pleasant climate, ancient history and rich opportunities for island tourism, Greece is a highly-attractive option to Chinese travelers yearning for romantic adventure and the blue of the Aegean Sea. Chinese tourists visiting Greece are typically young non-package tour travelers, whose customization demands focus on featured hotels, honeymoons and wedding photoshoots.

Chinese Travellers to Greece by Travel Mode 2017



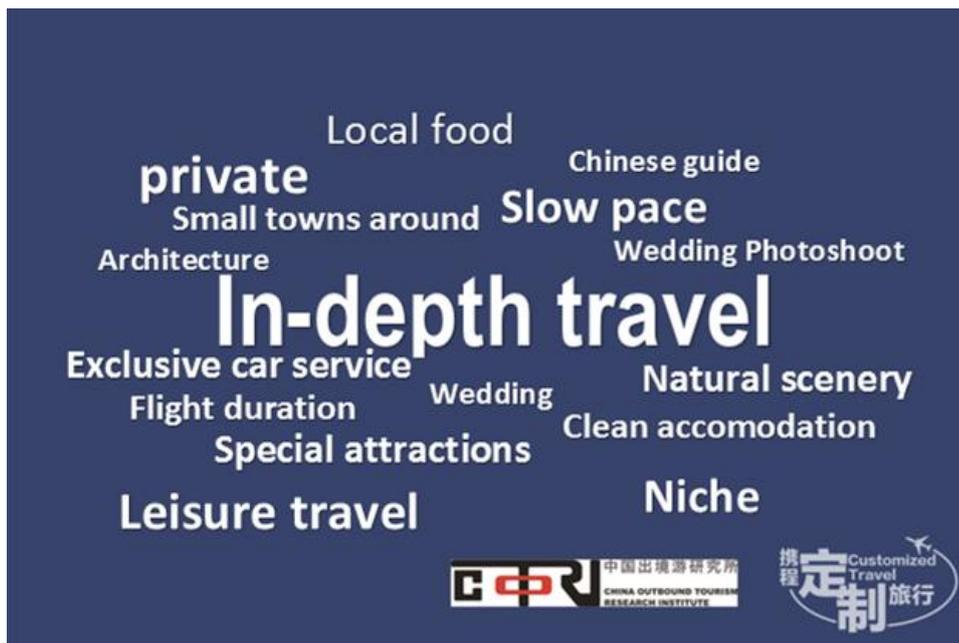


“In-depth travel” is the most popular demand for customized tours to Europe

Ctrip's Customized Travel analyzed the key search terms featured in the demands for European customized travel. The most-frequent term was “in-depth travel” – the most important feature of customized travel. Other such terms were: “slow pace”, “leisure travel”, “private” and “niche”.

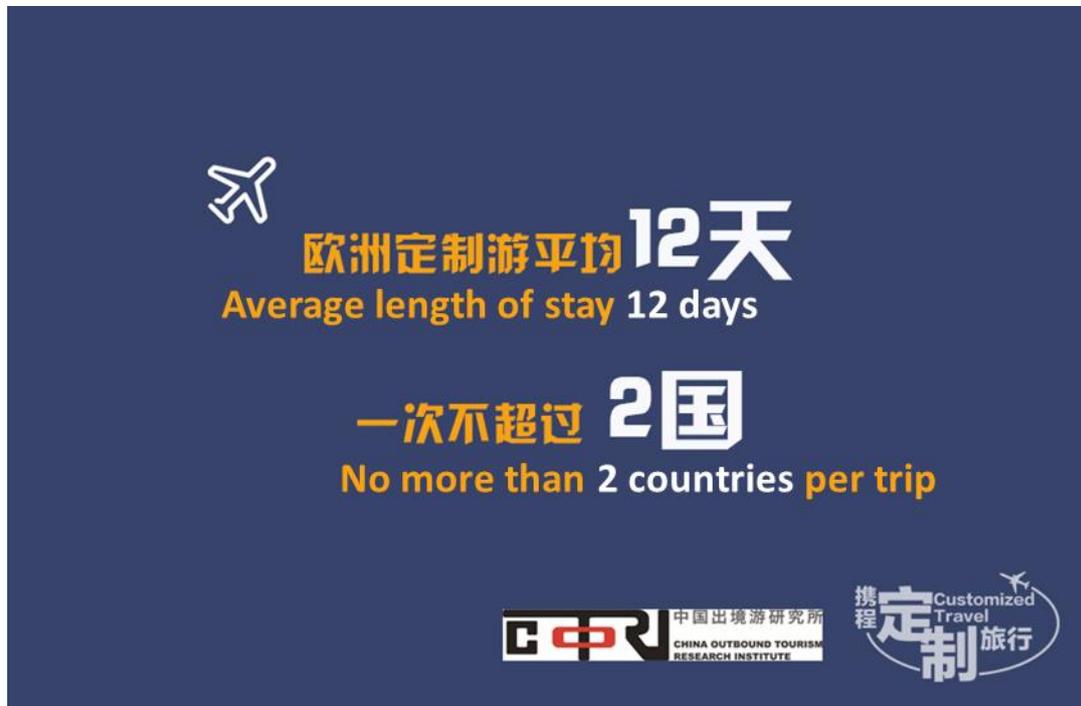
Furthermore, customized tour travelers will be meticulous about the requirements of all aspects of their travel, such as appropriate flight duration, exclusive car service, available Chinese guides and clean accommodation.

Customized tour is a travel form able to satisfy the personalized demands of most. Therefore, many guests with specialized needs will propose: local cuisine, more opportunities to see beautiful architecture, visits to local small towns and wedding photography.



Average length of stay: 12 days; no more than two countries per trip

European customized tours average about 12 days in length and involve visiting 1-2 countries. This stands in contrast to most package-tour travelers, who visit 3 or more countries in 10-12 days. Accordingly, customized tours involve more time spent in countries visited.



Two peaks in January and July

Once Europe entered its prime travel season in June, there was a clear month-on-month growth rate from May to June, while the number of European customized tours peaked in July. Demand in countries such as the United Kingdom, France, Germany, Spain, Greece, and Italy rose significantly.

The Spring Festival holiday period ushers in another wave of European customized tours in January. The demand in Northern European countries, such as Finland and Sweden, gradually increases in this month. Activities such as staying in the Glass House Hotel in Santa Claus Village, chasing the Aurora Borealis, going to a hot spring and skiing are widely regarded as popular for a honeymoon.



Average expenditure: over 2,500 RMB per person per day

According to Ctrip's Customized Travel's data, average expenditure for customized tours to Europe is on average at least 2500 RMB per person, per day. Ctrip's customized travel platform will design user's travel routes and allocate resource according to the guests' expected budget of guests. Accordingly, prices can vary greatly.

Top 10 most popular tourist sites or activities for customized travel to Europe

Seeing the shooting locations of films or TV programs, visiting prestigious schools or universities and proposing in front of landmarks are three most popular activities among European customized tour travelers. Compared to classic sightseeing, European customized tour travelers tend to choose niche spots, go on walking tours in featured towns and choose events that reflect their personal tastes. Such tourists may also travel just to attend a certain event, such as electronic music parties taking place in Ibiza, Spain each year attracts many Chinese tourists.

Study tours are also distinctive activities in the field of European customized travel. The demand for such customized packages is concentrated in the summer months of July and August. Old, famous universities such as Cambridge and Oxford are destinations for many tourists with children. Looking to experience the atmosphere of a prestigious university and getting to know the local policies for international students is becoming a mainstream activity. For example, the study tours focused on Italian architectural and art design gives tourists an insight into Italian design industry, as well as the chance to talk with top Italian professors face-to-face.

| Country | Attractions and Activities |
|----------------|---|
| United Kingdom | Visiting the film locations of Harry Potter and Sherlock Holmes |
| United Kingdom | Visiting prestigious universities as Oxford and Cambridge |
| France | Eiffel Tower, Wedding Photoshoot, Proposing marriage |
| Germany | Some attractions related to music |
| Switzerland | Jungfrau, skiing |
| Switzerland | Four Swiss tourist trains, photograph |
| Greece | Honeymoon on the Mykonos Island |
| Italy | Hiking in Cinque Terre |
| Spain | Disco dancing on the Ibiza Island |
| Russia | Listvyanka fish market |

The infographic includes logos for Ctrip and 'Customized Travel' (携程定制旅行) in the bottom right corner.

Top 10 themes in customized travel to Europe

Finland, Switzerland, Iceland and other Nordic countries are the main destinations for customized honeymoon tours. Customized tour travelers often search for individualized demands such as seeking out the Aurora Borealis, going to hot springs, skiing and staying in glass houses. Southern European countries perceived to be romantic – such as Italy, Portugal, Greece and Spain – see large amounts of customized demands such as “travel and get married”, “marriage proposal”, and “wedding photography”.

“Gourmet food” is a big demand among customized tours to Europe. 50% of demand lists stipulate

their requirements for eating. The three favorite European countries for customized tour foodies are France, Italy and Spain. Chinese foodies have been known to book French and Italian gourmet tours, featuring aspects such as: Paris Michelin restaurants, Dijon oysters and wine, Zürich cheese fondue, Milanese steak, Venice cuttlefish pasta, Florentine T-Bone Steak and Roman Ice Cream.

European Customized Travel Top10 Themes

-  **Weddings in a small scale** in Italy, Portugal, Czech Republic
-  **Watching football** in Spain, the United Kingdom
-  **Local food** in France, Italy, Spain
-  **Study tour, knowing over-sea study policy** in the United Kingdom
-  **Honeymoon** in the Nordic countries
-  **Architecture** in Switzerland, France
-  **Weddings Photoshoot** in Austria
-  **Golf, Arranging at least five courts** in Russia
-  **Staying in featured small towns** in Switzerland, Austria and Spain
-  **Going to hot springs** in Iceland, Switzerland




Top 5 types of accommodation in Europe

More than half of the tourists have a clear demands when it comes to accommodation. Customized tourists prefer to stay in hotels and B&Bs with local characteristics. The Santa Claus Village Glass House Hotel in Finland, the castle hotels in the UK, B&Bs with local flavors in Spain, the Cliff Hotel in Santorini, Greece and the Swedish Ice and Snow Hotel are the most nominated hotels in European customized tours. These hotels are in short supply; therefore, the customized tour designers can utilize the advantages of their platform to meet customer needs.

-  **Finland: Glass Igloos in Santa Claus Village**
-  **UK: Castle Hotels**
-  **Spain: Homestay with local features**
-  **Greece: Santorini Hotels on the Cliff**
-  **Sweden: Ice Hotels**




Shanghai, Beijing, and Guangzhou are the top three largest tourism source markets in China

The top Ten Chinese cities that show the most interest in customized tours in Europe are: Shanghai, Beijing, Guangzhou, Chengdu, Shenzhen, Nanjing, Hangzhou, Wuhan, Xian, Xiamen, and Qingdao. The top three is clearly dominated by first-tier cities, accounting for 50% of the total market. Second-tier cities, represented by Wuhan, Chengdu, Nanjing and Hangzhou, have increased their consuming capacity. The proportion of repeat visitors to Europe has increased, with more people choosing customized tours. Among the top ten fastest-growing cities, all are second-tier cities.



Demand from 2nd-tier and 3rd-tier cities increases

In terms of increase in demand, the top ten fastest-growing cities in customized tour in Europe are Harbin, Wuhan, Fuzhou, Nanjing, Hangzhou, Shenzhen, Shenyang, Guangzhou, Kunming and Qingdao. With the popularity of customized tours, second and third-tier cities are seeing a rapid increase in growth.

