

Webinar Forward Outbound China

March 2017

"Know tomorrow's travellers"



Forward China

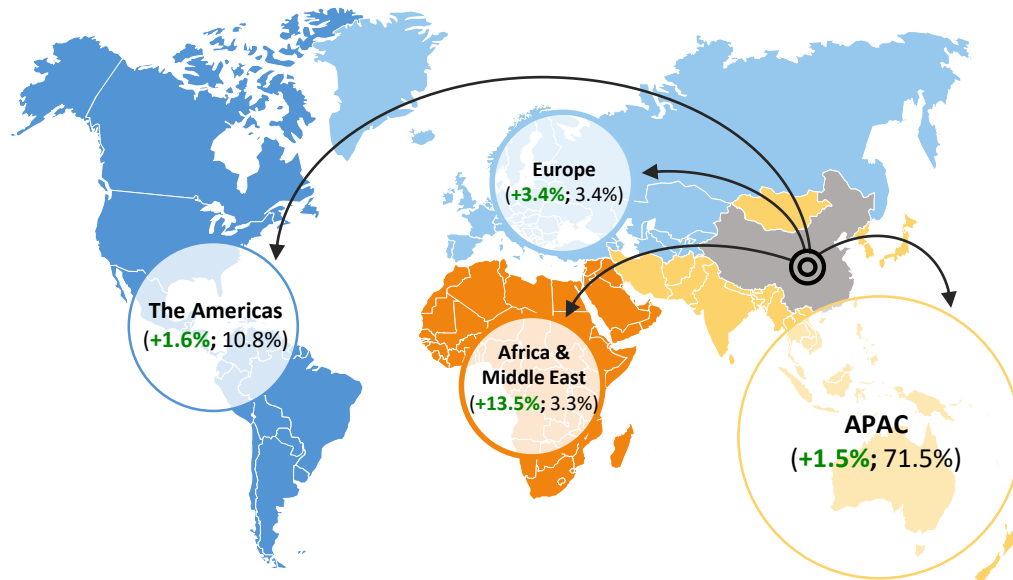
#1 Outbound China: moving year performance

#2 Chinese New Year highlights

#3 Spring & summer 2017 outlook

Asia Pacific absolutely dominated the Chinese market

- During the moving year March 2016 to February 2017, the Chinese outbound travel grew only 2.1% year-on-year. Compared to the same variations, +10% one year ago and +20% two years ago, this past year had a very mild growth.
- Asia Pacific attracted more than 70% of the total Chinese arrivals – its dominant position has not changed at all and is not going to be challenged easily.



Outbound China
(YoY %Var; Shares)
(+2.1%; 100%)




Chinese arrivals in each region between 1st March 2016 and 28th February 2017 vs. previous year, YoY %Var




Excluded: Domestic flights, one-way tickets and transits. Only pax staying 1 to 21 nights at destination.

Popular destinations for both FIT and group tourists

- Hong Kong, Macau, Taiwan, together with South Korea, Thailand, and Japan, grabbed 55% of Chinese arrivals during the moving year, while the rest of the world shared 45% of the Chinese tourists.
- Considering both market share and year-on-year increase, Russia, the United Kingdom, Spain in Europe and Vietnam, Indonesia, and Sri Lanka in Asia, were the popular destinations during the moving year.

 **Russia**
+49.6%

! May to Oct 2016 welcomed **75%** of the moving year arrivals.

 **Vietnam**
+39.4%

! The **fasting growing & busiest month** during the moving year was Jan-2017, in which the Chinese New Year fell.

 **Spain**
+16.7%

! Not affected by Paris attacks
Improved connectivity.

 **Indonesia**
+32.6%


! Over **75%** of the Chinese travellers visited **Bali.**

 **UK**
+14.4%

! Remoteness creating safer feelings
Brexit and pound falling.

 **Sri Lanka**
+15.8%

! Average 3 persons per booking,
Average stay was 7 nights.

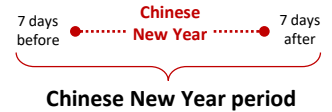
 Popular destinations for Chinese arrivals in each region between 1st March 2016 and 28th February 2017, with moving year market share >1% & moving year YoY %Var >10%

! Excluded: Domestic flights, one-way tickets and transits.
Only pax staying 1 to 21 nights at destination.

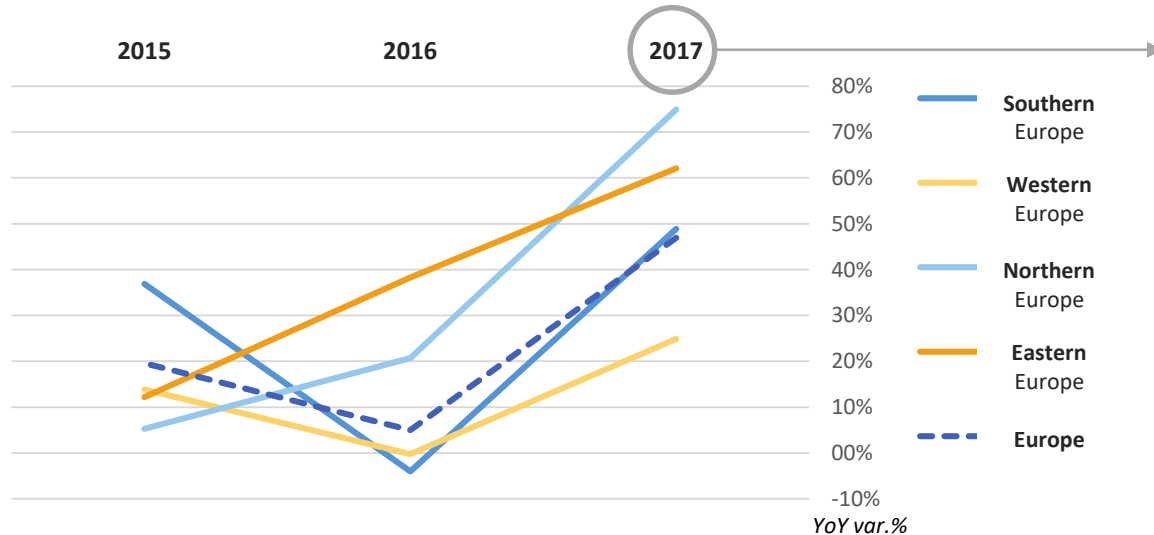
Chinese are back in Europe to celebrate the Chinese New Year

#2. Chinese New Year highlights

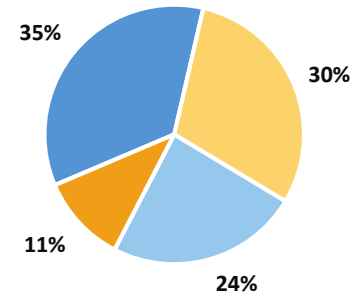
- Chinese arrivals in Northern and Eastern Europe during the Chinese New Year accelerated in 2016, as a consequence of security concerns in key markets in Southern and Western Europe.
- Southern and Western Europe rebounded after the negative impact of the Paris November attacks on Chinese New Year arrivals in 2016. Spain and the United Kingdom are the best performers in these regions.



Chinese arrivals in Europe during the Chinese New Year period, YoY var. %



Market share of Chinese arrivals in Europe during the Chinese New Year period (%)



Departures from China during the Chinese New Year period. 2017 21st Jan to 4th Feb; 2016 1st Feb to 15th Feb; 2015 12th Feb to 26th Feb.



Excluded: Domestic flights, one-way tickets and transits. Only pax staying 1 to 21 nights at destination.

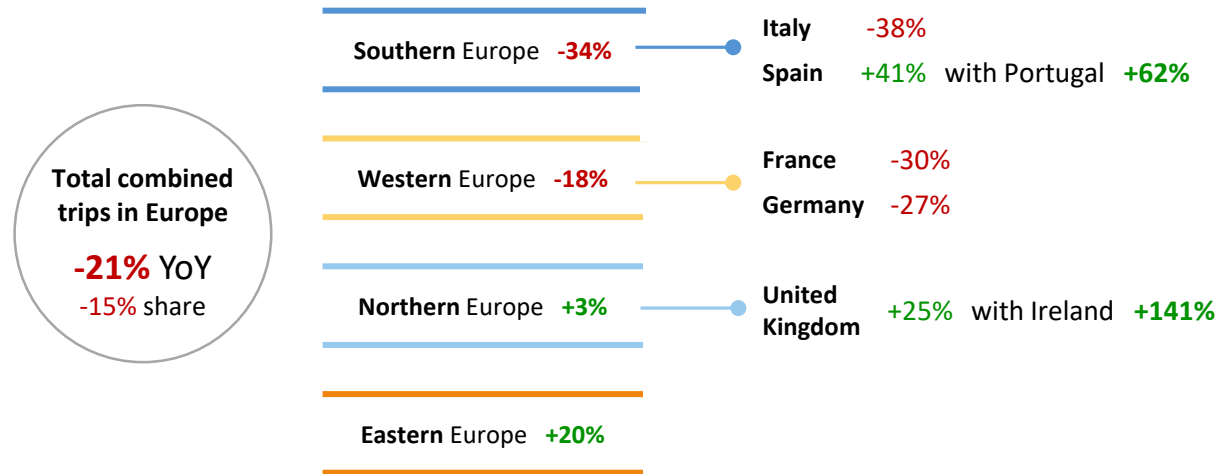




More Chinese visitors, but visiting less countries during their European trip

- Combined trips including multiple European destinations of Chinese holidaymakers during the New Year have plunged over the last two years. Combined trips share has reduced across the continent; Italy, France and Germany are the most affected destinations.
- Some destinations are benefitting from shifting circuits: Portugal, combined with stays in Spain, or Ireland, attracting Chinese visitors in the United Kingdom.

2017 vs. 2015 combined trips in Europe done by the Chinese travellers, YoY %Var.



Departures from China during the Chinese New Year period. 2017 21st Jan to 4th Feb; 2015 12th Feb to 26th Feb.



Combined trip: Pax staying at least 2 nights in other destinations within Europe

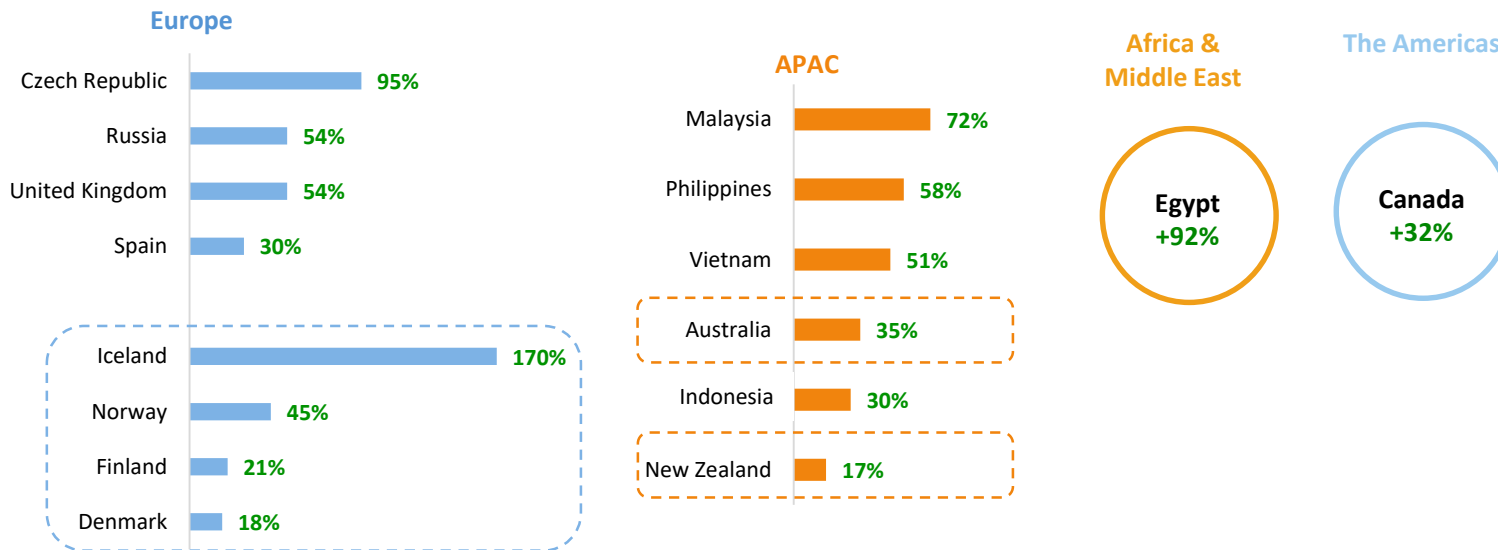


Excluded: Domestic flights, one-way tickets and transits. Only pax staying 1 to 21 nights at destination.

Popular destinations for Chinese travellers on the book



- The breaking news that Chinese travel agencies stopped selling tour packages to South Korea is an absolute game changer for outbound China 2017. It is still too early to tell which destinations are going to share the South Korean market.
- Forward looking the spring and summer travel season, the popular destinations identified for the past moving year have been enjoying a positive outlook.



Chinese arrivals on the book between 16th March and 31st August 2017 with issued bookings as of 8th March 2017. Staying at the destination(s) for 1 to 21 nights.
YoY Market share > 0.5% & YoY %Var. > +15%



Excluded: Domestic flights, one-way tickets and transits.

Methodology & Glossary

This analysis is based on Air Reservation Data property of ForwardKeys® as of 15th March 2017. Database contains reservations handled by more than 200 000 online and offline travel agencies worldwide

DESTINATION



Worldwide

MARKET



China

PERIOD



Arrivals & Departures: March 1st 2016 to February 28th 2017 vs. March 1st 2015 to February 29th 2016. Chinese New Year period is defined as below: 2017 21st Jan to 4th Feb; 2016 1st Feb to 15th Feb; 2015 12th Feb to 26th Feb.

Arrivals & Departures on the book: March 16th to August 31st 2017 vs. March 16th to August 31st 2016 with issued bookings as of March 2nd and March 8th 2017 vs. Same period previous year.

Lengths of stay: travellers stayed or will stay 1 to 21 nights at the destination(s).



Arrivals: refer to the number of airline passengers arriving at the destination within a specific time frame.

Arrivals on the Book (Arrivals OTB): refer to the number of airline passengers arriving at the destination within a specific future time frame according to the bookings that have been issued as noted.

Departures: refer to the number of airline passengers departing from any location within a specific time frame.

Departures on the Book (Departures OTB): refer to the number of airline passengers arriving at the destination within a specific future time frame according to the bookings that have been issued as noted.