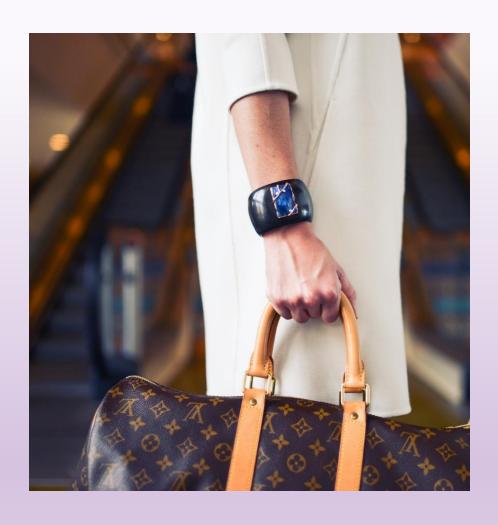
Affluent InsightsTM Report Summary:

2016 Chinese Travel Consumer Report





- Regardless of the recent concerns over China's economy, the amount of travels is still expected to grow by 16% each year until 2020 when it is estimated to reach 234 million. Projections indicate that Chinese travelers were expected to spend \$229 billion in foreign countries in 2015 alone and \$422 billion by the year 2020.*
- It is key to keep monitoring the changing travel and consumption behavior of this key travel source market. And especially the younger generations in total, there are 322 Million Chinese Millenials, who travel more frequently and spend more freely on travel.

 *Source: Fung Business Intelligence Centre (FBIC) and China Luxury Advisors (CLA).



This CHINA market report is based on findings from the Affluent Insights™ Luxury Travel Survey

- Fielded online in China in April/May 2016.
- We interviewed 300 respondents.
- All of the respondents were defined as affluent with minimum annual household income as per the table below:

Country	Affluent Definition (HHI/a)
China	CNY 200,000+

- 50% of respondents make more than CNY
 350,000 and 10% make more than CNY 1 Million
- All respondents have travelled internationally for leisure or business in the past 12 months.

China Report Price: USD 6,000

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Extract of Key Implications to Brands:

 Top destinations for planned trips in the next 12 months for Chinese travellers:

RANK	
1	Paris
2	Maldives
3	Tokyo
4	Dubai
5	Seoul
6	Sydney
7	Singapore
8	Osaka
9	Taipei
10	Hong Kong

- We can expect Chinese source travel to continue growing. While there is a small downward tick in optimism for the coming 12 months, 4 in 5 Chinese travellers think they are likely to travel more next year than they did last year.
- You need to meet travelers expectations of luxury. The new Chinese traveller is increasingly seeking luxury in the way they travel
 7 in 10 Affluent Chinese plan to travel more luxuriously and spend more on luxury items.
- You need to adjust to shifting expectations about luxury. While superior quality is the primary motivation for using luxury brands, uniqueness and exclusivity are gaining in importance. Chinese males expect luxury brands also to offer a superior customer experience.



Key Implications to Brands (continued):

- Chinese travellers are looking for opportunities to shop for luxury brands. Travel and luxury shopping go hand in hand, and is a major motivator for choosing travel destinations. Chinese shopping during travel is motivated by the better selection abroad and getting items tax free.
- Travellers are going beyond sightseeing and looking for experiences. Chinese travellers are becoming more adventurous, and on the look out for new destinations they have not yet explored, and where they can also get new experiences; e.g., travelers from Chinese have nature tours and safaris at the top of their activity list, after culinary experiences.
- Just having a website for booking is not enough, it must also be mobile optimized and available though apps. Travel is no longer only booked online, in markets like China most are now booking travel on their mobile phones.





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