



HOW TO MARKET YOUR BUSINESS TO CHINA

TOURISM

BUSINESS

ESSENTIALS

How to Market Your Business to China

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First Edition, June 2011

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1 The 21st Century's Sleeping Giant is Awake and Accessible

Study the past, if you would divine the future.
- Confucius

Overview of the China Marketplace

The People's Republic of China (PRC) is the most populous country in the world, with a burgeoning middle class that has an appetite – and ability – to travel. This is the travel engine that we now recognize to be China.

In 2009 the Canadian Tourism Commission (CTC) reported that almost 26 million Chinese nationals travelled overseas, with outbound travellers expected to reach 60 million annually by the year 2020.¹ Although other sources report that outbound travellers could reach 100 million by 2020.² At a time when the majority of the world was in economic crisis, and in-bound visitor arrivals in all of Canada's primary markets were in decline, the Chinese market was the only major market that had growth in overnight stays between 2008 and 2009.³ In 2010, the number of Chinese visitors to Canada increased by 21% from 2009, resulting in almost 200,000 visitors to Canada.⁴

With a country as large and populous as China, it's imperative to identify the areas that hold the greatest opportunity for new business to BC. The vast majority of China's wealthy long-haul travellers originate in three primary areas - Beijing, Shanghai and the Yangtze River Basin (which flows into Shanghai), as well as Guangzhou and Shenzhen in the southern province of Guangdong.

What happened to make China the attractive target market that it is today? It wasn't until 1978 that the *Reform and Opening-Up* policy was created, which set the platform for the people of China to travel outside their country. Initially, travel to Hong Kong and Macau was permitted, mainly for Visit Friends and Relatives (VFR) travel. Soon after, Chinese nationals were allowed travel to nearby countries such as Singapore and Thailand.

China's population is made up of 56 ethnic groups, 90% of whom are the Han people. There are 11 official languages, but Mandarin is the official language for international business. When we speak of China, or the PRC, it refers to mainland China and excludes Hong Kong and Macau. These two areas are known as Special Administration Regions (SARs) which are both independent of the mainland and sustain unique governments, passports and currency.

¹ Canadian Tourism Commission. (2010). <http://en-corporate.canada.travel/Corporate/Flyout.page?id=1675&fid=6410>

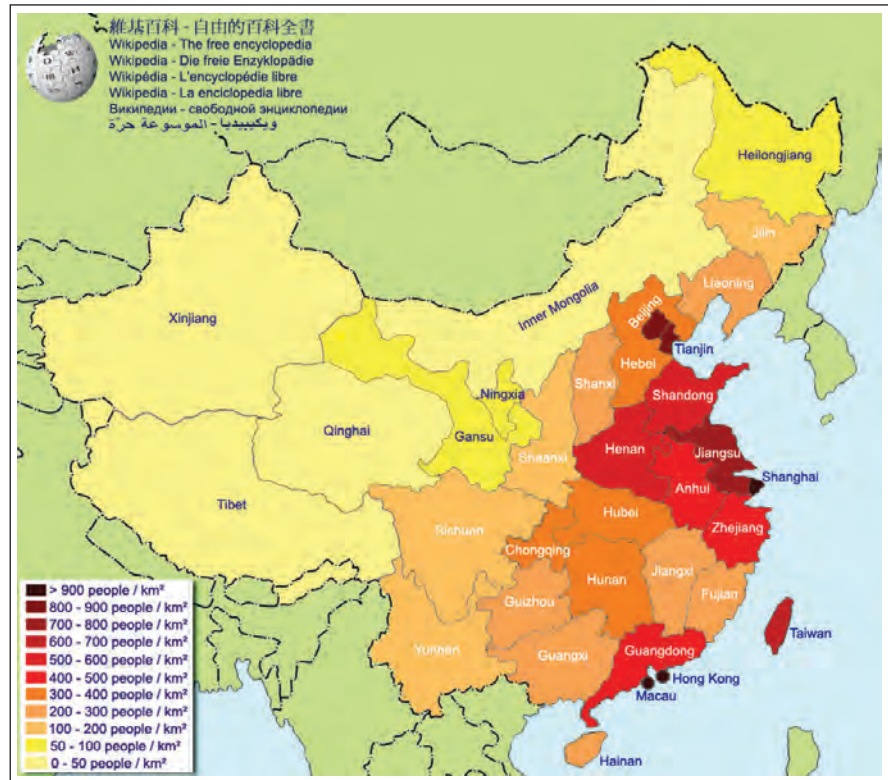
² World Tourism Organization and European Travel Commission. (2010). Demographic Change and Tourism. Page 13.

³ Statistics Canada data compiled by Tourism BC. International Visitor Arrivals – December 2009. www.jti.gov.bc.ca/research/IndustryPerformance/pdfs/intl_visitor_arrivals/2009/International_Visitor_Arrivals_December_2009_sflb.pdf

⁴ Statistics Canada data compiled by Tourism BC. International Visitor Arrivals – December 2010. www.jti.gov.bc.ca/research/IndustryPerformance/pdfs/intl_visitor_arrivals/2010/International_Visitor_Arrivals_December_2010_sflb.pdf

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Overview of the China Marketplace



Chinese Population Density

In 1995 the Chinese government introduced the *Approved Destination Status* (ADS) scheme in order to facilitate group leisure travel to officially designated countries. ADS supports exit visas for Chinese citizens and allows countries to market themselves in China. China's market didn't truly open up though until the late 1990's. In 1997, new legislation created a more efficient and open process for obtaining a Chinese passport as well as international visas and currencies.

Since then, almost every major country in the world has entered into diplomatic agreements with China to allow group visas for leisure travellers. Through the combined efforts of the provincial and federal governments, Canada was finally granted ADS in June of 2010. Achieving Approved Destination Status with China was a major economic and cultural step for both BC and Canada to building an enduring relationship with China.

Why China – What Potential Does it Hold for the World, for Canada and for BC?

China has been on the radar of Tourism BC, part of the Ministry of Jobs, Tourism and Innovation, for over 10 years, even though ADS wasn't officially granted until June, 2010. So why was time and effort put into developing this market before it was even open to us?

Research indicates that China does indeed represent the next great market opportunity for BC and for Canada. Information has been collected from tourism organizations around the world; specific research and studies have been conducted as well, in partnership with the Canadian Tourism Commission (CTC) and other Canadian provinces, to expand consumer-based intelligence about China. We have research which supports the following statistics:

1. China has a strong economy:

- China has experienced great GDP growth since 2000. In 2010, China had a 10.3% growth and is forecasted to improve its growth by 9.6% in 2011, followed by 9.2% in 2012.⁵
- Private consumption in China is expected to increase by 9.5% between 2009 and 2010.⁶
- Unemployment was relatively high in 2010 at 5.2% but it is expected to decrease in 2011 to 4.6%.⁷

2. The average Chinese outbound traveller is:⁸

- approximately 25 to 44 years of age
- well-educated (completed college or university)
- employed at a managerial level
- earning a mid-level income - monthly average income is CNY 9,999 (CDN \$1,499) or less
- living with a partner or married.

3. The Chinese people are travelling more often:⁹

- Despite the dampening travel demand worldwide due to the global economic crisis and the H1N1 outbreak, outbound travel from China increased in 2009. According to the [China Outbound Tourism Yearbook](#) 47.66 million outbound trips were recorded, a 4% increase over the previous year, with leisure or non-business travel increasing by 5.2% to 42.21 million trips.
- Although long-haul departures from China decreased between 2007 and 2008, they have grown by 79.4% since 2000.
- According to the United Nations World Tourism Organization (UNWTO), China has shown the fastest growth in international expenditures by far, ranking only seventh in 2005 and moving up to fourth in 2009. In 2009, expenditures substantially increased by 21% (measured in US dollars).

⁵ Asian Development Bank. (2011). *Asian Development Outlook 2011*. www.adb.org/documents/books/ado/2011/ado2011.pdf

⁶ Canadian Tourism Commission. (2009). *China Tourism Market Profile: 2009 update*. http://en-corporate.canada.travel/sites/Corporate/images/pdf/Research/Market-knowledge/Market-profile/China_China%202009%20Market%20Profile_EN.pdf

⁷ International Monetary Fund. (April 2011). *World Economic Outlook*. www.imf.org/external/pubs/ft/weo/2011/01/index.htm

⁸ Canadian Tourism Commission. (2009). *Global Tourism Watch Year 2: China – Key Findings*. Page 16. www.canada.travel/photovideo/CF16EA46-7771-4229-8EBB-1691B99E758D/orig_GTW_China_2009_Yr2_EN.pdf

⁹ United Nations World Tourism Organization. (2010). *UNWTO Tourism Highlights*. www.unwto.org/facts/eng/highlights.htm

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Why China – What Potential Does it Hold for the World, for Canada and for BC?

4. Chinese outbound travel to Canada is increasing:¹⁰

- From Canada's primary Asia/Pacific incoming markets, Chinese visitors accounted for 1 in 5 overnight travellers and 21% of the total expenditures from the Asia/Pacific markets in 2008.
- In 2010, Chinese travel to Canada had increased 21.2% from 2009 and 139.8% from 2001, reaching almost 195,000 visitor arrivals.

5. As travel increases to Canada, the number of Chinese visitors to BC is increasing as well:

- In 2010, China was BC's fifth largest international market for direct customs entries, and Canada's seventh largest market in visitation.¹¹
- BC received 118,400 Chinese visitors, which means that 60.8% of all Chinese custom entries into Canada were through BC.¹³
- Out of all the Asia/Pacific markets, China ranked third for the number of visitors into both BC and Canada.¹³



6. The behavior patterns of an average Chinese visitor to BC and/or Canada include:¹²

- In 2009, Chinese travellers to Canada (who also visited BC) spent an average of 9-12 days.
- At this early stage in market development Chinese leisure travellers are most often on a 9-12 day itinerary which would include 2-3 days in BC, the primary focus being on Vancouver with day trips to Victoria and/or Whistler; an overnight stay near Kamloops, Revelstoke or Golden would be included if their trip included car or coach trip from BC to Alberta.
- The average travel party size of Chinese visitors to Canada, that spent at least one night in BC, is 1.5 people.
- Aside from shopping (89%) and sightseeing (88%), visiting friends and relatives (70%) and visiting a zoo, aquarium or botanical gardens (37%) were the most popular activities for Chinese travellers spending at least one night in BC.
- In 2008, Chinese travellers to Canada, on average, spent \$1,656 per person – more than the \$1,545 spent by travellers in the Asia/Pacific market and the \$531 by US travellers.

¹⁰ Statistics Canada data compiled by Tourism BC. *International Visitor Arrivals – December 2010.* www.jti.gov.bc.ca/research/IndustryPerformance/pdfs/intl_visitor_arrivals/2010/International_Visitor_Arrivals_December_2010_sflb.pdf

¹¹ Statistics Canada data compiled by Tourism BC. *International Visitor Arrivals – December 2010.* www.jti.gov.bc.ca/research/IndustryPerformance/pdfs/intl_visitor_arrivals/2010/International_Visitor_Arrivals_December_2010_sflb.pdf

¹² Statistics Canada. (2009). *International Travel Survey.* (includes Chinese visitors that have spent at least one night in BC)

Why China – What Potential Does it Hold for the World, for Canada and for BC?

For a more detailed description of the Chinese traveller to BC, please visit Tourism BC's [Market Profile of China](#).

Every visitor has a preconceived perception of what a new destination is like, and Canada is no different. The following are some of the attractions, weaknesses and perceptions of Canada that Chinese visitors may have – according to a *Global Tourism Watch* study, conducted in September 2009, in partnership between the Canadian Tourism Commission, Tourism British Columbia, part of the Ministry of Jobs, Tourism and Innovation, and other provinces.¹³ It is as valuable to understand the negative perceptions of Canada and what we can do to address these, as it is to know which aspects of Canada and your business are the most attractive to the Chinese market.

- The major shift among recent and potential visitors from China was the increase in high income travellers; 38% of recent or potential Chinese travellers in 2008 had high incomes, which rose to 56% in 2009. As Canada is seen as an expensive destination by Chinese travellers; due to the instability of the Chinese economy, the number of lower income travellers may have decreased in 2009.
- In 2008, nature was the most attractive aspect, or product, of Canada to Chinese travellers. The scenery, wildlife, national parks, and the close proximity and integration of nature into Canadian cities, were perceived as strengths to the Chinese visitor market. Cultural products or attributes, such as aboriginal culture, were also cited as strengths. The Chinese market was unique in this respect, as it was the only Global Tourism Watch (GTC)

market in which cultural products were seen as attractive and not a weakness of the destination.

- The Chinese market perceives the availability of outdoor activities in Canada, including skiing, golf and water-based travelling as destination strengths, but only by a niche group of travellers; the CTC classifies outdoor activity as a Canadian niche product strength.
- A general product weakness, according to the CTC, is the lack of, or the lack of awareness of, multi-day group tours. This is a product that is important to the Chinese market but that Canada is not well-known for. Now that Chinese travel agents are allowed to market tours to Canada there is an opportunity to turn this type of product into a strength.

Recognizing both the strengths and weaknesses of this market, Tourism BC, the CTC and individual BC businesses can chart the path for our collective success. China's population may be well over a billion people but the potential target market for Canada is estimated at 4.5 million travellers. Of these 4.5 million potential travellers to Canada, the number of immediate, potential Chinese visitors (those most likely to travel to Canada in the next two years) is estimated to be almost 2.3 million. British Columbia could receive 88% of the estimated 2.3 million immediate, potential Chinese visitor market.¹⁴ (These estimates were from pre-ADS research; numbers are anticipated to be much higher now). It is well-known that a disciplined, collaborative approach will ensure this new Chinese market will grow over time.

¹³ Canada Tourism Commission. (2009). *Global Tourism Watch Year 2: China – key findings*. http://en-corporate.canada.travel/sites/Corporate/images/pdf/Research/Market-knowledge/Global-tourism-watch/China/GTW_China_2009_Yr2_EN.pdf

¹⁴ Canada Tourism Commission. (2009). *Global Tourism Watch Year 2: China – Key Findings*. Page. 5 http://en-corporate.canada.travel/sites/Corporate/images/pdf/Research/Market-knowledge/Global-tourism-watch/China/GTW_China_2009_Yr2_EN.pdf

1

The 21st Century's Sleeping Giant is Awake and Accessible

Tourism BC's History of Travel Marketing in China

Even though Canada has just recently been awarded ADS status enabling our country to promote tourism in China, the province of BC has been working to prepare for this opportunity for many years.

Recognizing the potential of this market, advance trips have been made since 1998 by executives from Tourism BC, part of the Ministry of Jobs, Tourism and Innovation, to develop travel industry contacts, gain understanding of market dynamics and maximize pre-ADS business. Destination training for travel agents began in 2004, and by 2005 in-market services were in place for travel media relations, a Chinese language website and basic search engine marketing.

Since 2004, government representatives have regularly travelled to China to meet with key tour operators and train their staff on how BC can be integrated into all packages that feature North America. Without Approved Destination Status, the BC government and travel agents were not permitted to advertise or promote leisure group travel, but they creatively worked around the limitations to encourage independent travel and the growing incentive market. Tourism BC implemented a Chinese media strategy to increase awareness and stimulate interest in BC among targeted potential consumer groups. Part of this strategy was to bring print, online and broadcast media to BC. During this time influential media staff from *National Geographic* magazine, Shanghai and Guangdong TV networks, and CCTV's powerful Travel Channel were hosted in BC. The resulting coverage was broadcast to millions of Chinese citizens.

By 2010 Tourism BC had developed extensive online content including key destination information, shopping information, activities and touring advice, recommended travel itineraries, interactive maps, photo and video blogs, and links to key media coverage. Although people from China can access some western websites, the connection is slow and ineffective. With the "great firewall of China" restricting the flow of information from western countries to the Chinese people, it was decided to host the Chinese site on servers based in China and optimized it for maximum positioning on the main Chinese search engine, [Baidu](#). Supported by online public relations – which places articles on targeted Chinese portals – and a growing social media strategy, [HelloBC.com.cn](#) now receives approximately 70,000 unique site visitors each month. Immediate plans for the future include a travel trade section and links to key Chinese travel agents who can "close the sale" for travellers.

With this groundwork laid, BC was 'open for business' long before ADS was awarded. Key destinations in BC are already well-known by tour operators in China and introductions have been made between BC tourism operators and Chinese clients; this relationship building has been supported by the heightened, worldwide awareness of BC that was generated by media coverage of the Vancouver 2010 Olympic and Paralympic Winter Games.

Approved Destination Status (ADS) – What Is It and What Does It Mean for BC?

Approved Destination Status (ADS) allows Canada to market itself as a tourist destination in China and allows for group travel from China. On June 24, 2010, Canada's Prime Minister Stephen Harper and the President of the People's Republic of China, Hu Jintao, witnessed the signing of a Memorandum of Understanding to Facilitate Outbound Tourist Group Travel from China to Canada. According to a survey by the Conference Board of Canada, ADS is expected to boost the yearly rate of travel to Canada from China significantly within the coming years. China is one of the fastest growing outbound tourism markets in the world.

So what does this mean to BC? It means you can promote your business in China and work with operators to create leisure tours that could stay in your lodge, visit your attraction or use your services. It allows Tourism BC and the Canadian Tourism Commission (CTC) to promote and market BC as a tourism destination. It also allows us to expand beyond the business of the Visiting Friends and Relatives (VFR) traveller and to work on the creation of leisure travel groups and high-yield independent holiday-makers. The number of leisure travellers in China, as in most countries, is much larger than business travel, and is a much more lucrative target market than VFR travellers.

Observing the experience of other countries as they implemented their ADS agreements and developed business relationships with China, it is apparent that ADS will enable Canada to do business in China, but standards must be set to meet the terms of our ADS agreement.

Terms of engagement under the new Canada-China ADS agreement include a keen interest from Chinese authorities in the quality of

experience Canada can provide for Chinese citizens. Many destinations have encountered challenges in this area, with increasing client complaints to Chinese authorities regarding tour products and high-pressure commission shopping and guiding services. With this in mind, the CTC has elected to endorse an accreditation program for receptive tour operators handling tour groups from China. On the marketing side, the CTC will take a 'key account' approach to investing in cooperative promotions with Chinese travel trade partners who deliver quality tour programs. This will ensure a targeted approach to the customers with the highest potential of return on investment for the Canadian tourism industry.

The key elements in this program include:

- The CTC will identify Chinese travel trade partners as designated 'preferred agencies'. These companies will represent the best opportunity for focused investment on product development and cooperative marketing. They will be the 'call to action' for consumer advertising and promotions. Tourism BC will assess these partners and create a more concentrated list of key partnership operators for BC businesses.
- 'Preferred agencies' have a mutual commitment with the CTC – in return for marketing partnership programs and funding, the agencies have agreed to develop and market a variety of diverse, high-quality programs and promotions, and will report on the results of these initiatives.
- The CTC will provide cooperative funds, promotional funds, online exposure, familiarization (FAM) tours, and facilitation of visa applications – all subject to company-specific negotiations and annual plans.

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Approved Destination Status (ADS) – What Is It and What Does It Mean for BC?

- A preferred agency's commitment is to deliver quality programs. This includes:
 - Itineraries set within reasonable touring times (i.e. coach travel time does not exceed 10 hours in a single day)
 - Truth in advertising (i.e. a hotel advertised as being in Vancouver actually is in Vancouver rather than in a nearby community; of course, it's acceptable to stay anywhere in BC, but the itinerary must accurately reflect where the overnight stay is)
 - No commission-based shopping
 - Use of an accredited receptive tour operator
 - Variety of products and itineraries offered
 - Inclusive packages without excessive 'optional tours'.
- The CTC will provide official endorsement and recommendation for tour itineraries that meet the above criteria. This endorsement includes the seal of the Government of Canada; a highly respected symbol in China.
- The program will provide an obvious call-to-action, good measurement criteria and reporting of results.
- Citizenship and Immigration Canada will support the preferred agency program by offering preferred visa processing service channels for these agents.
- Visa applications for leisure travel to Canada for groups of more than five passengers will be treated as an ADS group and required to provide their itinerary and name of their accredited Receptive Tour Operator (RTO).
- Information about the ADS program immigration procedures can be found at: www.canadainternational.gc.ca/china-chine/visas/ads-sda.aspx?lang=eng&menu_id=193&menu=L
- The CTC will continue to develop new travel trade partners by supporting non-key account Chinese travel agents with online information, image bank access, destination training, trade show invitations, itinerary planning advice, introductions to suppliers and receptive tour operators, and participation in the [Canada Specialist Program](#).

By operating as outlined above, this agreement provides incentives for agents to receive funding and the valuable CTC endorsement stamp. It also encourages other agencies outside the program to become a part of the key account group and adapt their itineraries accordingly. Agents who are determined to undermine the market by offering cheap, low value tours loaded with commission shopping and poor quality itineraries will receive no support from the CTC and will not be considered for preferred agent status for visa processing. This policy is strongly supported by the China National Tourism Administration (CNTA), who has a vested interest in Chinese travellers purchasing quality, high-value tour itineraries, thus avoiding bad publicity and complaints to their organization.

What's ITOAP?

If the CTC is maximizing China/Canada business potential from China, who's looking after operations in Canada? This is the role of the Inbound Tour Operator Accreditation Program (ITOAP).

The objective of the ITOAP is to ensure Chinese leisure groups visiting Canada experience quality tours and professional services. The CTC will play an ongoing advisory role within this program and the Tourism Industry Association of Canada (TIAC) will administer the program to create standards which will ensure the longevity of this market. Details of this accreditation program and the receptive operators that qualify for it will follow in [Chapter 3](#).

The reason that such a regulatory body has been created is to meet obligations under the ADS agreement and to mitigate some of the problems experienced by other destinations and in other emerging markets. Chinese consumers have complained of poor quality tours that include unrealistic (and illegal) driving times on coach tours – sometimes up to 16 hours in one day. Inexperienced tour guides and misleading information about included activities and attractions are common issues, as is the practice of “zero fare tours”. A zero fare tour is a practice in which a tour is offered at an unrealistically discounted price and the only profit made is from commissions from shopping outlets. The resulting pressure on consumers is

quite unpleasant. A number of safeguards have been put into effect to ensure Chinese authorities do not receive excessive complaints about Canadian tour products and thereby threaten the very existence of the Canada/China ADS agreement.

The ITOAP program encourages receptive operators handling ADS tour groups to fulfill their terms of the Quality Assurance program. ITOAP is an application-based program operated by TIAC, whereby they verify that all receptive operators working with the CTC will supply what they say they will. Elements that these businesses will have to authenticate include:

- valid business licenses
- licensed and insured vehicles and drivers
- qualified staff
- liability insurance
- quality touring itineraries
- no “zero fare tours” or commission shopping will be permitted
- a commitment to working towards positive positioning for Canada in the Chinese market.

For further information on TIAC's program, please visit their website at www.tiac.travel/china

2 Who is the Customer?

Real knowledge is to know the extent of one's ignorance.
- Confucius

Unlearn What You Know – This Market is Unlike Any Other

If you're reading this guide, you're probably a successful tourism business operator in British Columbia. Your product is **export-ready** and you know how to work with both domestic and international operators, ensuring that you receive the greatest amount of business volume at the strongest yield. How you work with German operators is similar, to a degree, to how you work with Australian operators and American operators. But in order to succeed in China you would probably benefit from understanding some unique cultural and business practices. Motivations for overseas travel and methods for doing business are distinctively different here.

It is well known, and appreciated, that travellers from the UK, Germany and Australia take much longer vacations than Asians, as well as being more familiar with the English language and with travelling independently. They are also more likely to return to BC and Canada in order to further explore their favourite places. For this reason they are much more inclined to get "off the beaten track" to rural and wilderness areas, stay longer than a single night in one place and generally spread their business throughout the province.

In contrast, Asian travellers visit Canada as a "once in a lifetime" destination, much as we would do to Egypt, France, Australia, Peru and other such destinations of our dreams. This means they want to get a look (and photo of themselves) at Canada's well known icons such as Niagara Falls or the Parliament buildings in Ottawa.

Asians also have significantly less paid vacation time than most westerners, especially travellers from Japan who rarely take a holiday longer than one week.

A large share of Asian travel to Canada is still in the form of scheduled group package tours; however Chinese and Korean travellers are developing a tendency for independent travel. Enquiries about self-drive, spas, wilderness resorts and adventure experiences are beginning. It's early stages and most of this type of travel is in destinations close to their homes, but we can all look forward to the day when mature Chinese travellers will choose BC as their destination of choice for a longer-stay family vacation with plenty of exciting outdoor activity and city experiences.

Tourism Packaging & Product Distribution

The *Tourism Packaging & Product Distribution* guide includes information on how to create a distribution plan, how to get included in tour catalogues or itineraries, and how to develop marketing and promotion strategies for both domestic and international markets. This guide is part of Tourism British Columbia's informative Tourism Business Essentials series.

For more information on this and other *Tourism Business Essentials* guides and workshops, visit the Tourism Industry Programs section of the Ministry of Jobs, Tourism and Innovation website at www.jti.gov.bc.ca/industryprograms/TBE



Unlearn What You Know – This Market is Unlike Any Other

What makes these people unique is the fact that they are the culmination of the world's oldest, continuous civilization (more than 4,000 years of recorded history), and the fact that they have been brought up in a communist – albeit progressive – system. This not only shifts how you need to deal with the operator in order for them to make a deal, it also requires you to shift how you welcome their clients.

Chinese people are fiercely nationalistic. Unlike those of us raised in Canada, their belief in national superiority is constantly reinforced by government messaging. The government in China is highly respected by its citizens, and their messaging is rarely challenged.

The people of China know they are the dominant world market, practically every

marketer across the globe is after their business and the expectation is that their preferences will be accommodated. The majority of these expectations aren't excessive, or anything that we as travellers – if we were to visit China – would not expect in return. A small example of the type of respect a Chinese visitor would anticipate in BC includes having information written in Chinese. As visitors to a hotel, restaurant or experience provider in China, we would expect basic information to be provided in English; likewise, the Chinese traveller expects basic communication in their language.

But to truly understand what to provide for a Chinese guest, you have to understand the cultural influences that define this nation.



The people of China know they are the dominant world market, practically every marketer across the globe is after their business and the expectation is that their preferences will be accommodated.

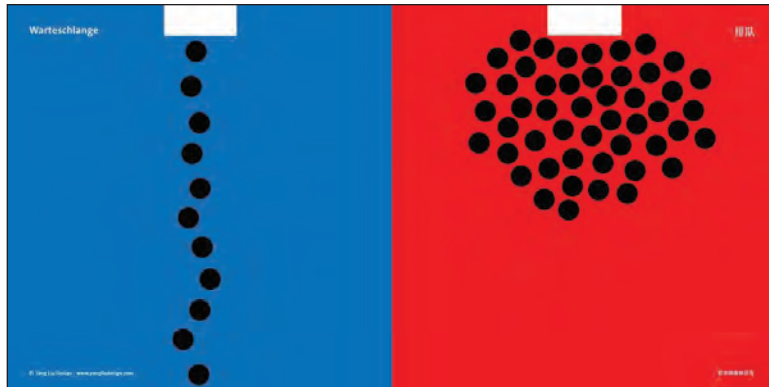
2 Who is the Customer?

An Introduction to the Chinese Culture

Useful insight into the differences between Chinese and western cultures can be found in the work of Yang Liu. Ms. Liu was born in China, studied in the UK and moved to Germany when she was 13. Her life experience has provided her with unique insight into the basic values and attitudes of both western and eastern cultures, and how “normal” can be distinctly different.

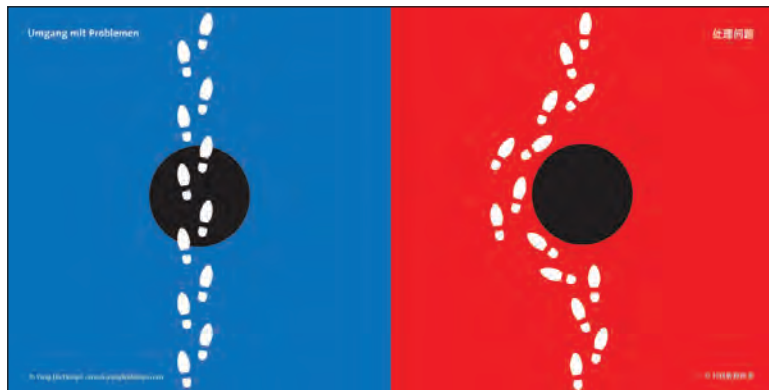
Yang Liu’s graphics display a quick snapshot as to how we, as westerners, act, and how those raised in China would act. There is no right; there are just cultural and societal influences that affect all of us, in every nation of the world.

Take a moment to reflect on a few of Yang Liu’s pieces. The blue frame on the left represents the view from western eyes, and the red is its Chinese counterpart.



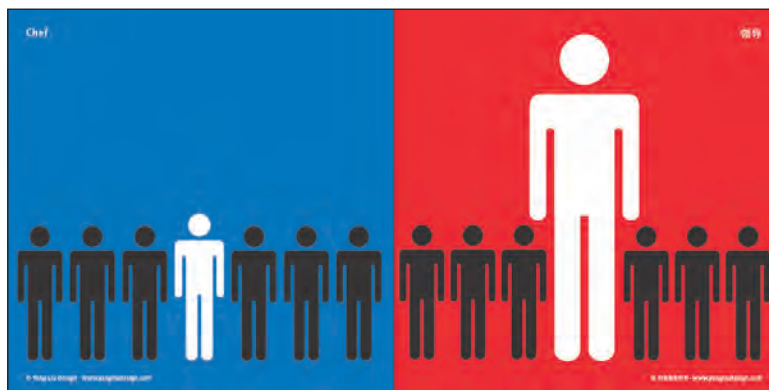
1. A Queue It’s been written that the more space you have around you, the more space you give to others. Canada, Australia and New Zealand – and a few other countries of small population seem to give others significant personal space to people around them. Even in England, where they have excelled in queuing, they would not give as much personal space between the person in front and the person behind as we do in Canada. In China, where the population is in the billions, queuing becomes grouping. Again, this reflects their world, and we need to respect that when Chinese guests are in our hotel or attraction, we must create methods to assist them to adapt to our style with dignity. Examples would include having stanchions clearly identifying (in languages including Chinese) the expectation and direction in which to queue.

An Introduction to the Chinese Culture



2. Dealing with Conflict Consider how we will need to adapt when relating with our Chinese customers.

In western countries we would generally ask for the business straightforwardly, or would deal with a problem directly. In the case of China, this will only make our client uncomfortable. Instead of always communicating from our perspective, we must communicate from their perspective. Stay focused on a dialogue that asks what they need, and how to make them more profitable, or their business stronger with you. By slowly getting to the point, you allow your Chinese partner to proceed in a manner that they are more comfortable with.



3. The Boss In Canadian culture we view and treat our management as colleagues, perhaps a little in front of us just by their position, but in every other way an equal. In China, management is king, and hierarchies are not easily crossed.

When dealing with a person of any level in a Chinese organization, don't attempt to bring a different "level" into the mix. If you are dealing with someone 'lower' in the company, they will take your offer up the ladder, and if you are dealing with the CEO he will take your offer down to the more operational level – but you should not try to cross-communicate. Wherever you have your foot in the door is a good place.

For more of Yang Liu's insights please see www.yangliudesign.com

2 Who is the Customer?

The Importance of Relationships

Cindy Gobin, Market Development Manager - Asia for Tourism BC, has often observed that relationships, otherwise known as *guanxi*, are the most important aspect of working within the Chinese culture. You become friends first, and then you work on creating a business relationship. A relationship is, of course, the key to business in every culture. In China relationship means everything, and business is often moved in directions that seem to make no sense at all until you discover the complex relationships behind the decisions.

As seen in the pictograph above from Yang Liu for [Conflict](#), the same picture could be drawn for business honesty. Chinese operators are not trying to mislead nor manipulate, but mixed into their cultural norms is a desire to not seem disrespectful. Instead of telling you a tour won't be coming through or expressing their real concern, they may just smile and say "thank you". This type of miscommunication can be mitigated, to a degree, if you have a Chinese or Asian representative who is seen as an extended part of their "family". Due to this ethnically-based relationship, the Chinese operator may be more honest about their intentions without worrying about seeming impolite to you, the foreigner.

[WorldHost](#)® Training Services (formerly SuperHost® Programs) has created a service standard training program to welcome the Chinese traveller. In the *Service For Chinese Visitors* workbook it's stated:

"The term *guanxi* (pronounced as gu-wan-she) is used to describe a network of relationships among various parties that co-operate together and support one another. Chinese companies and business people spend a lot of time developing and nurturing *guanxi*, because having a strong network is considered well worth the investment. *Guanxi* relationships are built on trust, and are tested over time. Dependable and reliable behaviour strengthens the relationship, and frequent contact fosters friendship as well.

It is fairly common for individuals of one organization to visit their acquaintances from other organizations bringing gifts, such as wine or cigarettes."

Chinese travel trade executive Mr. Liang Cai of GZL Meeting, Incentive, Convention and Exhibition (MICE) advises:

Our primary concern is how to get the best result between both of us during the communication and discussion. We think the best way of our first meeting is to make an appointment in advance, and then a formal presentation and discussion. After we get consensus or some results in the meeting, and both sides have the time, we are very pleased to have lunch with the BC suppliers.

But as Mr. Cai continues, he mentions he is also looking to create long-term relationships with mutual development:

We would like to develop relationships with such kinds of operators and suppliers [that both sides will]:

- *Be sincere to each other, and we may pull together in times of trouble, focusing on offering quality services to [the] final client.*
- *[With ideas, can] give us new ideas and inspiration, not just helping us with the conventional arrangement of cars, hotel, dining, etc.*
- *Often provide us with the latest information, and keep close contact, after all, communication is an important bridge of cooperation. It is no doubt that the partner who keeps close contact with us would always come to our mind when we are recommending suppliers to customers.*
- *Provides us with the best cost-effective products and services, and may give us a hand when we encounter some difficulties.*

The Importance of Relationships

And while we strive to learn how to bridge our gaps when contracting with the operators in China and their RTO's based in Canada, the final difference we need to understand between the Chinese and western culture is in the way we travel. In the western world leisure travellers often want the most superior hotel and comforts that their budget will allow – and shopping would be focused on items for ourselves, with small mementos or souvenirs to bring back to those close to us at home.

In China the leisure traveller is not concerned as much with their own hotel experience, and will often accept a more mid- or lower-range hotel as well as other 'cheaper' travel elements (transportation, attractions) than their personal budget could afford. While travelling, shopping is king – for them, and especially for those they left at home. They keenly follow brands, will search them out and actively look for local art and products.

The Chinese and western traveller will spend similar amounts on their holiday – but typically the Chinese person will spend more. The difference is that a Chinese traveller's major expenditures will be on gifts and other items to bring home.

Chinese law requires travel agents to assume some of the risk – and pay penalties – if their customers do not return home after their trips abroad. Therefore, the agent assesses the flight risk of the customer and collects a cash security deposit equivalent to CDN \$7000 up to CDN \$16,000. At the time of writing, the average security deposit for trips to Canada is approximately CDN \$12,000. This is important information to keep in mind – even the low-budget touring visitors from China are wealthy enough to come up with such a large deposit!



3 Who is Our Competition?

*The tree may prefer calm, but the wind will not subside;
power struggle and competition are inevitable in society.
- Chinese Proverb*

Countries Already Designated with Approved Destination Status (ADS)

Canada was the 135th country to be awarded *Approved Destination Status*. Although a number of countries that made the list before us were almost obscure – from the perspective of attaining this revered bilateral status – a number of countries are strong, competitive destinations such as the United States, Europe and Australia. These long-haul destinations, due to the increased time and money required to travel there, would vie for the same travel dollars that a Chinese consumer would consider applying to travel to Canada.

Beyond recognizing these nations as competition for the Chinese traveller, we can also learn from their experiences as they advanced into China prior to Canada's ADS approval. Australia was the first western country to gain the ADS designation in 1999. ADS for Australia was originally limited to Beijing, Shanghai and Guangdong areas, but in 2003 the Chinese and Australian governments announced expansion to include six new regions. This ADS expansion to other Chinese cities resulted in an increase of \$494 million in total inbound economic value from Chinese visitors to Australia between 2003 and 2004.¹⁵ By 2018, China is expected to become Australia's second largest inbound market, just behind New Zealand.¹⁶ In fact, in the fiscal year 2009/2010, Australia received 360,000

Chinese visitors who generated \$2.3 billion in economic value for the nation's economy.¹⁷

This may sound like a dream market, but we have also learned from Australia where the pitfalls lie. With an immature foreign language market (from a foreign travel prospective), there was a significant amount of unethical practices occurring in Australia, including the pressure associated with commission shopping. Following the damage to the Australian tourism image by these unethical practices, the former Australian Tourist Commission established the Quality Basics Program.¹⁸ It is thanks, in a large part, to this issue in Australia that the CTC and TIAC have set up regulatory programs in Canada to protect our market as we begin our engagement with China.

Another dilemma that Australia experienced with the Chinese market is truly assessing its value. As we've detailed above, China is a highly lucrative market, with the average visitor spending AUD \$6,803.¹⁹ Yet many operators don't experience China as a profitable market due to the inclination of Chinese visitors to save their spending for shopping rather than accommodations, attractions and activities.

¹⁵ Tourism Forecasting Committee. (2010). Forecast 2010 Issue 2. Page 22. www.ret.gov.au/tourism/Documents/tra/Forecast_2010_Issue_2_FINAL.pdf

¹⁶ Tourism Forecasting Committee. (2010). Forecast 2010 Issue 2. Page 6.

www.ret.gov.au/tourism/Documents/tra/Forecast_2010_Issue_2_FINAL.pdf

¹⁷ Tourism Australia. Media Release. www.tourism.australia.com/en-au/news/media-releases_6058.aspx

¹⁸ March, Roger. Beyond Hope? Risk Factors in Australia's Inbound Chinese Market. Page 3. www.inboundtourism.com.au/pdf/risks-in-australias-inbound-chinese-market.pdf

¹⁹ Tourism Australia. (2011). China: Market Profile 2011. Page 7.

www.tourism.australia.com/en-au/documents/TAINT5812_Market_Profiles_China.pdf

Countries Already Designated with Approved Destination Status (ADS)

As Dr. Roger March of the University of New South Wales stated in a paper on this market:

The Chinese outbound industry, for its part, is an immature and tightly controlled outbound market, with overseas travel typically limited to older and wealthier citizens from the larger cities....The outbound travel industry is relatively new, Chinese overseas travellers are relatively inexperienced, and these factors, combined with the industry's relatively unstructured nature, have resulted in a price-driven consumer market. For when consumers lack experience in a new product category, price comparisons are their only quantifiable point of differentiation.²⁰

This continues to be a concern as Canada enters the highly competitive China marketplace. Chinese travellers are still very price sensitive to their package purchase price. This, however, is the unlikely benefit of being a late-comer to the China party, since that market is slowly gaining experience by travelling to countries like Australia. Through personal experience, the Chinese traveller will be made more aware of the value of spending more on their land package. But it is an immense market that is still very young in its experience, so Canada will be a part of that learning curve as well.

In spite of the challenges, the Australian tourism industry has identified the great opportunity presented by China, and continues to work to increase their market

share. The *2010 Visa PATA Travel Intentions Survey* reports that Australia is tied with Japan as the most likely location respondents will visit next.²¹ Tourism Australia Managing Director, Andrew McEvoy, said the results reflect that Australia is a top-of-mind destination for Chinese travellers. "Australia has been at the forefront in destination marketing since becoming the first Western destination to receive approval to host group leisure travellers from China," said Mr McEvoy. "Since gaining Approved Destination Status (ADS) in 1999 the China travel market has grown exponentially for Australia to become one of our top five sources of international travellers."

By watching markets like Australia and the US, we can gain insights into the development of the Chinese visitor's travel desires. The US Delta Airlines' director and chief representative of China and Hong Kong, Sandeep Bahl, was quoted in *Traveldaily.cn* saying: "A first timer will visit the biggest cities ...but we're seeing interest [in the USA] to expand beyond those places." When Delta launched its Beijing-Seattle flight in June, for example, the airline's representatives started fielding questions about side trips to Mt. Rainier and Reno, Nevada. Other destinations that have seen surprising increases in interest from Chinese travellers, according to Bahl, include Yellowstone National Park and Cincinnati (he attributes that one to the Kentucky Derby).

²⁰ March, Roger. Beyond Hope? Risk Factors in Australia's Inbound Chinese Market. Page 3. www.inboundtourism.com.au/pdf/risks-in-australias-inbound-chinese-market.pdf

²¹ Asia Pacific Travel Intentions Survey 2010. Page 7. www.visa-asia.com/ap/cn/zh_CN/mediacenter/factsheets/includes/visa_pata_travel_intentions_report2010.pdf

3 Who is Our Competition?

Can We Compare Ourselves to the US?

The short answer: no. But we can definitely look at the travel trends with the US as being similar and see how they apply to Canada. As with any maturing market, travellers will reach out beyond the key, iconic areas that they've been made aware of and will explore other regions. Since Canada is 'attached' to the United States, and from a distance assumed to be part of 'America', the Chinese customer operator may believe that our business practices and costs will be the same – but this isn't the case.

As you may have recognized when travelling south across the border, the access to a market with a population of over 300 million is remarkable. The larger market results in expansive competition and product selection, which our small population cannot compete with. Prices for meals, airfares, hotels, fuel for tour buses, and wages for tour guides are not comparable between Canada and the USA – they are higher north of the 49th parallel.

Canadian Competition

Chinese travellers generally prefer a very busy touring itinerary that allows them to see all of the major tourist spots and attractions in a very short time. If this is not provided, they perceive that they have not received value for their dollar. They have a high tolerance for long travel days and are often satisfied with a quick snapshot of themselves in front of impressive monuments rather than an in-depth experience. These are all signs of an emerging market and inexperienced consumers. As a result of these preferences, the majority of Chinese tour packages sweep across our nation in an attempt to 'see it all'. They will land in Vancouver and take a quick city tour, perhaps a day trip to Victoria, before they fly to Calgary for a fast look at the Rocky Mountains, then on to Niagara Falls, Ottawa, a peek in Quebec, and then home. This type of itinerary is most often only eight to ten days in length – a 'whistle stop' tour – allowing the traveller just enough time to experience these places, and our country, at the most basic level.

The four major provinces that are active in China are BC, Alberta, Ontario and Quebec.²² These provinces have the strongest understanding and investment in this market, and will be working - like Tourism BC - to expand their foothold. Each provincial

marketing organization is pushing to add additional nights and to expand beyond the major city in which the aircraft lands. Each province will leverage the Canada brand, but once in the door will be negotiating with Chinese tour operators and accredited Canadian-based receptive operators for expanded local content.

In short, the competition is fierce in Canada, as well as in most of the world. Every country, province and tour company recognizes the goldmine that the penetration of a market the size of China presents. The inexperienced nature of an emerging market allows new destinations, like Canada, to establish their own ideas of what is iconic. The field is open to convince the Chinese traveller that your destination is a must-see part of our country.

The importance of the industry in BC working together as a team cannot be overstated. Receptive tour operators and the Tourism BC and CTC in-market staff have established relationships and are skilled in dealing with Chinese expectations; in providing them with your product information, packages can be created to produce stronger results than would otherwise be achieved through individual initiatives.

²² Canadian Tourism Commission. (December 2010). December 2010 Overseas Trips (not including US). <http://en-corporate.canada.travel/international-visitor-arrivals#overseas>

4 Challenges and Opportunities

A diamond with a flaw is worth more than a pebble without imperfections.
- Chinese Proverb

Let's Start with the Challenges...

The biggest challenge for your business, BC and Canada is trying to gain the attention of a market that is bombarded with messaging from the best the world has to offer. This is why combining our activities under the Canada brand gives us a stronger collective message. Instead of conducting promotions as many different small voices – be that voice your business, a city or the province – if we utilize one overarching message we will be heard above the noise of the competition.

An additional challenge is the perception that Canada is an expensive destination. This is partly due to the high cost of air travel and the bond/deposit required to obtain a Canadian visa, but also the perceived expense of travelling within Canada. Whether a Chinese visitor stays at a five star hotel or a two star hotel the perception of Canada as an expensive destination remains the same.

On the other hand, in many cases their perception is also a reality. Admittedly we do have comparatively high air travel costs both to and within Canada – and as most visitors want to see all of Canada in one trip, our country makes for a very expensive week-long trip. We also have higher fuel, food and labour costs compared to the US, which raises the price of tours and meals. Large seasonal price variations, compared to other destinations where the product's price does not change much through the year, make it even more challenging for the Chinese operator to publicize and sell our country. So how do we show the Chinese traveller our 'value' as a destination, in spite of the high cost to visit?



4

Challenges and Opportunities

And Embrace the Opportunities

There is a flip side to being seen as an expensive destination. The first benefit is the “bragging rights” associated with visiting an “expensive place” like Canada. Our image, to the Chinese market, is a bit exotic. A comparison might be if we were to travel from BC to Tahiti, which is more costly than other South Pacific destinations and doesn’t have the same accessibility as Hawaii. Given that “status” and bragging rights are essential motivators for Chinese travellers, we are presented with a challenge that is ripe to convert into an opportunity – expensive versus exotic.

The other benefit of being “expensive” is the old 80/20 rule. No matter what your business is, 80 per cent of your revenue comes from 20 per cent of your clients. If BC and Canada are seen as an expensive destination, it will result in a loss in market share at the lower end as the deposit required to travel to Canada may be too expensive for some Chinese travellers. If we use this rule though, we don’t need the entire Chinese visitor market travelling to Canada, just a small portion of it!

The leisure traveller will view a holiday in Canada as a vacation only for the elite, thereby reducing our target market to a higher income bracket in China. As mentioned earlier, at the initial stage in developing this wealthy market they will still expect the cheapest package price; but as we further develop this market they will be in a better position to understand the value of adding more elements, and at a higher quality, to their BC travel plans. Already, indications from Chinese travel agents are that they have been thinking of targeting a wealthier clientele and are considering Canada in their plans.

Canada obtained Approved Destination Status remarkably late, relative to other countries.



By now many Chinese leisure travellers have visited several countries and have been waiting for the opportunity to visit Canada. This situation is quite similar to when Russia and China opened up to western travellers – everyone wanted to go. This bodes well for the traveller who wants bragging rights for visiting a destination few others in their country have travelled to.

Another major opportunity for BC lies with the natural connections and services available through our local Chinese population. According to the 2006 Census, 43.6% of the visible minorities living in Vancouver Metropolitan Area were Chinese – the highest percentage in any metropolitan area in Canada.²³ Take a moment and envision travelling to China – wouldn’t you be comforted in hearing that there was a large Canadian/Anglo population who you know would cater to your food tastes and could assist with speaking your language? The large local Chinese population in BC provides travellers with a similar sense of security and comfort. This is a huge selling feature for travel to BC, and to your business.

²³ Ip, Frank. 2006 Census Fast Facts: Ethnicity and Visible Minority Characteristics of BC’s population. BC Stats. Page 2. www.bcstats.gov.bc.ca/pubs/immig/imm081sf.pdf

5 What Do Canada and BC Have to Offer?

*Don't open a shop unless you like to smile.
- Chinese Proverb*

Why Canada? A Chinese Consumer Perspective

At the time of writing there are more than 130 countries that have been awarded ADS status. All major countries – including the likes of Uganda and Liechtenstein – were granted ADS status before Canada.

Canada and BC are known for unparalleled natural beauty and access to nature. Henry Yau of TPI Silkway says, “Our breathtaking landscapes, nice and clean environment always impress[es] Chinese travellers. Also, they would like to know more about our education system, because BC is one important destination and option for their kids’ future study.” In addition to reassuring visitors of a comfortable environment, BC’s large Chinese immigrant population offers a significant labour pool for businesses seeking employees who can communicate with the Chinese market in their own language.

According to an online article in *Businessweek*:

Over the next 17 years, 350 million rural residents (more than the entire population today of the United States) will leave their

farms and move to China’s cities. That will bring the Chinese urban population from just under 600 million today to close to 1 billion, transforming China into a country where more than two-thirds of its population are city dwellers, says Jonathan Woetzel, a director in McKinsey’s Shanghai office. This newly urbanized population will live in eight megacities, those with a population of more than 10 million, as well 15 big cities with populations between 5 million and 10 million. In addition, by 2025 China will probably have at least 221 cities with a population over 1 million, estimates Woetzel.²⁴

The strongest appeal of the Super, Natural British Columbia® brand is our access to nature. Although our cities are beautiful and charming, it’s the easy access to nature that offers the greatest appeal to the Chinese market as this type of access is disappearing or becoming more challenging to find for the urban Chinese person in their own city.

²⁴ Roberts, Dexter. (November 13, 2008). *Businessweek*. China Prepares for Urban Revolution. www.businessweek.com/globalbiz/content/nov2008/gb20081113_305364.htm

5

What Do Canada and BC Have to Offer?

The Importance of Building the Canada Brand

We are competitive in Canada. Within the Canadian tourism industry we compete with other provinces, other cities and other operators that offer a similar product to what we have. The way to differentiate ourselves is through the development of a strong Canadian brand. A brand identifies each business and destination as unique; a strong brand reinforces why someone should buy your product or visit your destination. Each business perceives its brand as the Holy Grail, and rightly so! Developing a brand, and marketing your product or place using it, is the way to compete in a mature market.

But in emerging markets such as China, British Columbia – as a brand and as a product – is unknown. Vancouver has some brand equity, and Whistler has gained a little recognition thanks to the Vancouver 2010 Olympic and Paralympic Winter Games, but no location or business brand is as well-known as the brand of “Canada” – which, from the Chinese perspective, is not as well-known as other countries.

In terms of creating a brand, linking your destination to an “expected experience” is also important. It may be what you think of when someone says “New York” or “London”; the expected experience is what you expect to do if you visited that city. But when you don’t know the place, you can’t associate it with experiences. It’s as if someone mentioned Mitchelton - would it mean anything to you? It’s just the name of a place, and chances are you don’t have any images to associate it with. Unless you know that Mitchelton is a suburb of Brisbane, Australia – now you might be

getting some images of Brisbane, the Queens Street Mall and the close proximity to Surfer’s Paradise with its miles of beaches. Expected experiences, linked to a brand or destination, come with knowledge and awareness.

Canada, Tourism BC and other major provinces are working hard to help potential Chinese travellers understand what activities we offer and why they should visit. As a new emerging market, the Chinese traveller primarily understands icons. These are the first layers in destination recognition – usually visual and always significant. In the case of Canada, those icons might be Niagara Falls or the Rocky Mountains. But without further research, a potential traveller wouldn’t know what to do around these areas other than visit and take pictures.

Investments of time, money and resources are required to break through the “noise” of competitive destinations and promote the wealth of things to do in Canada to the Chinese people. Even though Tourism BC’s efforts are to put BC on their radar first, people understand a place by nation first, region or province second and finally by key cities or an area. At this stage of development we must tie into the “Canada brand”; otherwise the operators and cities in BC will seem like a bunch of little “Mitchelton” advertising holiday offers: no one knows where it is, why to go or what to do there. It’s unrecognizable. This is why it is paramount to leverage the Canada brand right now, and not flood the market with “brand soup”.

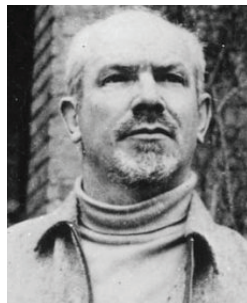
The Importance of Building the Canada Brand

The following actually reflects a number of online search engines (explained further in [Chapter 6](#)), but in the same way it bombards us with a bunch of business names that don't have meaning for us, we could also bombard and disinterest the Chinese consumer by marketing BC locations and business names that have no relevance to them.

With an emerging market, and with that market being the size of China, we must grow our destination from the country

down. This means we sell Canada first, and then British Columbia, align our regions or largest cities next, and finally incorporate individual products. The only businesses that could step outside of this model are those national or international businesses with an existing presence and relationships in China. An example would be the Fairmont Hotels & Resorts or the Four Seasons Hotels, which have properties in Canada as well as China.

Meaningful Canadian Icons



If you remember elementary school, you might recall learning about great Canadians who contributed to our nation and to the world. An example of a well-known Canadian is Dr.

Norman Bethune, who invented mobile blood transfusion. What connects Dr. Bethune to China is that he used his medical techniques in China while at war with Japan and is credited with saving many, many Chinese lives. Sadly, he died of septicemia contracted while operating under pressure from advancing Japanese forces.

Dr. Norman Bethune is now a Chinese legend, known as Bai Qiu En. It is not just his work that made him legendary; it is also the essay entitled *In Memory of Norman Bethune* that Chairman Mao wrote in his honour. This is one of three essays in a collection written by Chairman Mao Zedong that every child in China must memorize in school.

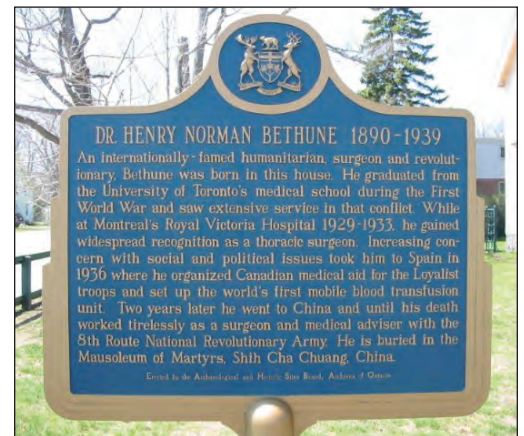


Photo: Alan L Brown, plaque for Dr. Norman Bethune

So what does this have to do with Canada's tourism offers? Dr. Norman Bethune was born and raised in Gravenhurst, Ontario and also spent years working in Montreal. Most standard travel itineraries include Montreal and Niagara Falls, the most recognized and desired Canadian destination for Chinese travellers to visit. Gravenhurst, about a three hour drive from Niagara Falls, is often added to the Canadian travel itinerary as well. It doesn't mean that Niagara Falls and Montreal wouldn't be high on the list of places to visit

5 What Do Canada and BC Have to Offer?

Meaningful Canadian Icons

In memory of
DR. NORMAN BETHUNE
Commemorating the 70th Anniversary of his death in 1939

Sponsored by
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SPEAKERS :
Dr. Jean Deslauriers, Laval University, Quebec
Mr. David Lethbridge, Okanagan College, B.C.
Mr. Gary Huang, Confucius Institute in Quebec
Ms. Judith Miller, University of Waterloo, Ontario
Ms. Yan Li, Confucius Institute at the University of Waterloo

1890 1890-1939
Huang - Shih Kou
1939
Norman 白求恩
Bethune

[WWW.CONFUCIUSINSTITUTE.QC.CA](http://www.confuciusinstitute.qc.ca)

DAWSON COLLEGE

In memory of Norman Bethune (1890-1939). Layout by Siqing CHEN.

if they came to Canada; it's that their close proximity and association to Dr. Bethune's life adds extra depth and meaning to the Chinese traveller.

Vancouver is the primary entry and launching point for a trip across Canada. It is growing in popularity as a destination thanks to the work of the CTC and Tourism BC, and the resulting word-of-mouth from those returning from trips to Canada. A Chinese proverb is "To know the road ahead, ask those coming back." That is exactly how Vancouver and BC are making great inroads into the Chinese market.

As Julie Wang of CAL Travel International in Vancouver advises:

The Hello BC website [includes] massive information, good for Chinese to learn from, yet it take[s] time for them to understand the differences between Canada and the USA. At this time they can't distinguish these two countries, they compare all the time, but we are different. The same thing occurred in Taiwan, it took a few years for visitors from Taiwan to see [and] understand.

Tourism BC's China Strategy

As mentioned, one of Tourism BC's primary strategies is to work closely with the Canadian Tourism Commission and key provincial and city Destination Marketing Organizations' (DMO) partners to introduce Canada to the Chinese consumer. The goal is to position ourselves as a highly desirable destination for Chinese travellers; leveraging our national brand and supporting the platforms the CTC has put into place will be critical. The aim is to find our strengths and use them to secure as much market share in China as possible.

Tourism BC will continue to evolve and expand media relations, social media and online marketing programs in China, and invest new funding for promotions with key travel trade partners.

China Outbound Travel 2007 – 2020

2007: 40.95 million outbound²⁵

Forecast: Up to 60 million outbound in 2020²⁶

Chinese Travellers to Canada

2010: 194,979 visitors²⁷

Potential: 5.74 million potential visitors in 2011 & 2012 (as stated by the CTC in 2009)²⁸

It is anticipated that by 2017, China will be the second largest tourist market in the world.²⁹ The number of outbound travellers from China is almost overwhelming, at 40.95 million in 2007, but Canada will get only a small slice of that pie. Canada's potential target market of Chinese visitors is only 5.74 million for 2011 and 2012 – it is only when you speak

of China, with a population of approximately 1.3 billion, that 5.74 million doesn't sound incredibly immense. By any calculation this market has enormous potential, and is worthy of investing in. To give an insight as to the extent of the growth expected in the Chinese market, according to the CTC's *Tourism Snapshot*, overnight visits from China to Canada numbered 194,979 trips between January and December of 2010 – already a 21.2% increase over the previous year.³⁰

Tourism BC's strategy is to develop the high-yield end of the China market, to ensure that BC businesses can prosper with continued development.



²⁵ Tourism British Columbia. (March 2009). Market Profile: China. Page 1. www.jti.gov.bc.ca/research/ResearchByMarket/pdfs/China_Market_Profile_2009.pdf

²⁶ Canadian Tourism Commission. (2010). <http://en-corporate.canada.travel/Corporate/Flyout.page?id=1675&fid=6410>

²⁷ Canadian Tourism Commission. (December 2010) Tourism Snapshot. Volume 6, Issue 12. Page 2. http://en-corporate.canada.travel/sites/Corporate/images/pdf/Research/Stats-figures/International-visitor-arrivals/Tourism-monthly-snapshot/TourismSnapshot_2010_12_eng.pdf

²⁸ Canada Tourism Commission. (2009). Global Tourism Watch Year 2: China – Key Findings. Page 5. www.canada.travel/photovideo/CF16EA46-7771-4229-8EBB-1691B99E758D/orig_GTW_China_2009_Yr2_EN.pdf

²⁹ Tourism British Columbia. (March 2009). Market Profile: China. Page 1. www.jti.gov.bc.ca/research/ResearchByMarket/pdfs/China_Market_Profile_2009.pdf

³⁰ Canadian Tourism Commission. (December 2010) Tourism Snapshot. Volume 6, Issue 12. Page 2. http://en-corporate.canada.travel/sites/Corporate/images/pdf/Research/Stats-figures/International-visitor-arrivals/Tourism-monthly-snapshot/TourismSnapshot_2010_12_eng.pdf

5 What Do Canada and BC Have to Offer?

Tourism BC's China Strategy

In alignment with the CTC, Tourism BC will also require that any partner operator agrees to provide:

- A mutually approved marketing plan
- Compliance with the CTC and TIAC's quality assurance program
- Approved itineraries, travel agencies and Canadian receptive operators
- Prohibit the promotion of casinos, gambling and gay tourism, per the China National Tourism Administration (CNTA).

As already outlined, China is not a sophisticated tourism market. Without knowing the depth of travel experiences, they base their travel purchases on cost and the number of inclusions. The China-based tour operator responds to this and perpetuates it by ensuring that the lowest costs lead to an offer. At this point, tour operators “pick” a sell price and then go to the destination and ask them to fulfill at that price. For example, if an operator said they'd pay \$100 a day, that would mean

they expect to have hotel, transportation, attractions, and meals *included* in that price. Needless to say this has nothing to do with the costs of these services combined to create a sell price; it's actually the reverse.

But before you close this guide, remember that China holds the largest potential travel market ever to emerge. And with a burgeoning middle and upper class, these people will learn how to travel well and recognize what is reasonable to experience when they travel. As time goes on and the market matures, people will be paying for value – like all other markets. In this age of mass social media, potential visitors learn more from those who have travelled than from tourism organizations. So it is worthwhile for us as a country, province and as individual businesses to become part of the chatter about their extraordinary trip to Canada and BC. We need to work and promote collectively in this developing market, watching, as we would with a child, for the day when they grow into a mature and strong adult.



Should You Work with a Receptive Tour Operator (RTO) or Direct?

You will choose whatever is the best route for you and your business to promote to the Chinese marketplace. Mavis Zheng, General Manager – China for the Canadian Tourism Commission advises:

For suppliers like hotels, attractions and transportation companies we suggest that you meet the Receptive Tour Operators in Canada first, prior to travelling to China. Then when you arrange meetings in China you can promote the unique features of your business, and share a list of the operators that your product is available through.

You can work directly with a China-based tour operator or through a Canada-based receptive tour operator (RTO), or you may choose to balance your business between the two.

Some considerations, potential pitfalls and issues for deciding include:

- An RTO will not always be able to influence the Chinese tour operator to include your product or location. It's best to provide the information used to sell your business to the final decision-maker or operator in China. Opportunities to connect with these operators include communications through [Tourism BC](#), attendance at China-based trade shows, [Canada-based trade shows](#) such as Canada's West Marketplace or Rendez-vous Canada, or by direct sales calls.
- Chinese businesses are heavily regulated by the China National Tourism Administration (CNTA). They are multi-layered and complex companies, competing in an ever-changing regulatory environment.
- Huge corporations have multiple lines of business, resulting in a complex system that

can be difficult for Canadians to understand. The major tour operators you call on may be involved in, or have ties with, a variety of industries including travel, shipping, media, event management, MICE (Meeting, Incentive, Conventions and Exhibitions), leisure, hotels, real estate etc. They will have their own extensive distribution channels, including travel clubs, TV stations, corporations, and networks; as such, purchasing channels are often confusing.

- Regional agents often purchase through large companies located in Beijing, Shanghai and Guangzhou.
- Staff and policy changes are frequent; in a culture where relationships are king, it can be challenging to maintain business relationships throughout the many shifts.
- Once a Chinese tour operator has finalized a tour and committed to its pricing, that doesn't mean the negotiations have ended. If they discover you have advertised a better rate elsewhere – either on the Internet or with a competitor – they will want you to match that rate. It is also common in Chinese culture to constantly look for the best deal, so be prepared for negotiations to continue even while the group is at your hotel or attraction. If you work with a Canada-based RTO, they are the ones who participate in this dialogue and, to a great degree, you are left out of it.
- When you contact a Chinese company based in Canada (such as China Travel Service or CYTS) it doesn't mean that you are now connected with their head office. These Canada-based subsidiaries still have to compete for their head offices' business.

5 What Do Canada and BC Have to Offer?

Should You Work with a Receptive Tour Operator (RTO) or Direct?

In Chinese culture, the preference is to pay with cash – and often they prefer to pay upon arrival. If you are dealing with a China-based operator you may have to adapt to this; if you deal with a Canada-based RTO they will pay in full or a deposit in advance, as they would with other markets. Brandon Furyk, Director Global Sales – Tour and Wholesale for Fairmont Hotels & Resorts adds:

Although Receptive Tour Operators are essential to our business model for overseas markets, specifically where English is not the primary language of business interactions; an organization must be responsible for creating demand and building their brand at the consumer level as well as with industry. I call it the push and the pull model. With a hotel, for example, it needs to create a push out of the market source with their wholesale partner while at the same time aligning that push with the pull through a RTO.



Mr. Furyk also suggests that meeting with potential partners, such as the China in-market Fairmont sales team would be advisable if you are looking to partner on specific initiatives, such as familiarization tours (FAMs) or MICE bids. “I believe the greatest success for Fairmont and all is through cooperation and collaboration through a RTO model. RTOs are also safeguards with this market,” states Furyk. He concludes by adding that it’s an advantage to work together, as a BC community and a Canadian community; thereby ensuring that customer-based Chinese operators see BC suppliers as professional and ethical.

Any way you examine it, it’s imperative to develop relationships with as many people throughout the purchasing cycle as possible.

The Ideal Approach

1. Ensure Chinese receptive tour operators have your product information and have agreed to include you in the programs they are selling to Chinese agents. Until this is done there is no point in going overseas for meetings. Getting your product into RTO programs is an exercise in good salesmanship. Get to know these companies via networking, fam tours, sales calls and working with your regional or city DMO. Determine if you are a “fit” for each other. Be persistent, sometimes it takes more than one try.
2. Once you have succeeded with RTO’s you will be ready to meet with Chinese agents at Canada-based events such as Canada’s West Marketplace and Rendezvous Canada.
3. And finally when the China opportunity really seems to be imminent and worthy of further investment it may be time to travel there, either for attendance at Showcase Canada or individual sales calls. The timeline required for this progression will vary according to your type of business, but the key point to remember is that business from China can be secured even if you do not have a budget for overseas travel.

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*Be not afraid of growing slowly, be afraid only of standing still.
- Chinese Proverb*

How to Negotiate and What Are Chinese Operators Looking For?

Before making contact with a Chinese tour operator, assess what you have to sell and how that will work in a package that the operator will sell. No matter how beautiful your hotel is, no one is travelling just to sleep in it, and no matter how exciting or novel your attraction is – unless it's found on the doorsteps of Vancouver International Airport – the operator needs a reason to include your product.

Brandon Furyk of Fairmont Hotels also adds that:

It's imperative to have key messages constructed regarding your product, and that you stay constant to those product truths. Don't stretch to something you can't deliver or pretend to be something you're not. Be clear about your product or service, so it's easily understood by the Chinese client. And don't try to buy the business. This is the error that many nations made that entered the China market before Canada did. The Chinese have a commercial way of doing business, which is cash flow versus profitability.

Don't just talk about the price of your product or service – and never undercut the RTO rate. Advise the additional services that the RTO provides with those rates. Create product truths, stand by them forever, and combine with the Receptive Tour Operator message.

When dealing with Chinese tour operators and Canadian receptive tour operators it's very beneficial to include information on how a tour bus would travel to your business – keep in mind that doesn't mean an eight hour drive without lunch, sightseeing or rest stops. What it does mean is indicating which airport or route they would take from a major city or area, suggestions as to where to stop along that route, and other things to do around your business when they are in your destination. Think of what the operator would need to do for their client – provide restaurant and shopping options – and you will be a greater resource for them in creating these programs.

The Chinese operator, reflecting their Chinese client will be looking for price, quality and inclusions; with price being the most important aspect. Leona Zheng, Sales Manager-Asia for Tourism BC recommends that you always look to add value to your offer. An example would be if your hotel rate is \$200 per night, and breakfast is \$20 per person (based on double occupancy room). Leona suggests giving the value-add full rate of \$220 for the room and breakfast for two. This is a \$20 savings for the operator, and shows an extra value in your agreement. From the Chinese businessperson's perspective, this shows a compromise and a willingness to collaborate to get their business.

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How to Land The Business

How to Negotiate and What Are Chinese Operators Looking For?

Below are some comments from industry experts regarding added value incentives:

They are definitely going to request breakfast at a hotel, and hot meals are most desired. A property that doesn't offer F&B is not even considered.

Julie Wang from
CAL Travel in Vancouver

China operators may continue to bargain after signing the contract. This is usually not in order to struggle for more profit, but the China clients keep on haggling over price. Therefore we propose: firstly, if there are several travel agencies asking prices of the tourism project, then, BC suppliers may give them a slightly higher price than the lowest price. Only after the project is determined, may suppliers give the lowest price. Secondly, if the price is irreducible, BC suppliers may just say no directly, and it will not harm your relationship with GZL. Of course, if BC suppliers may give GZL a more favourable price, it will be of great help.

Mr. Cai Liang from
GZL MICE in Guangzhou

Saying 'no' if you can't reduce a price won't affect your relationship with your receptive operator. Bartering is the nature of the business, but both the Chinese operator and the Canadian tour operator will accept when you can't do it. They will either accept the final price, or they'll move their business somewhere else. You need to trust the RTO. Basically they are just trying to get the business to go through. Business is a business. If you can't make a profit out of it, it's not a good thing. If people are undercutting, hold your ground.

Albert Tseng from
NTS in Vancouver

After you have identified the best selling features of your product, are prepared to

Keep in mind at all times the culture that is influencing the Chinese operators' business style. Beyond what we've mentioned in this guide, there are other excellent reference materials that will assist in understanding this culture. One is the book *Kiss, Bow or Shake Hands – How to do Business in 60 Countries* (published by Adams Media Corporation). Quoting this book on negotiation strategies, "What the Chinese Accept as Evidence: Faith in the Communist party line is the dominant source of truth in all negotiations. In general, truth is subjective, and one's feelings are a primary source of the truth. Facts are accepted, but not if they are in conflict with the other two sources.... In the pockets of free enterprise, businesses are experimenting with freedom from party rule but not from the collectivist way of thinking."

show how it could be packaged in a full BC or western Canada itinerary, and have considered the Chinese culture and negotiation requirements, remember rule #1 – this is a relationship-based business society. If you are targeting the Chinese market, ensure you are ready and willing to put your personal time and attention into it. This example was given by a Chinese operator: The buyer was quite interested in the attraction product described to them during a meeting at Rendez-vous Canada, and noted that they would meet again on the post Rendez-vous Canada FAM tour. The operator was baffled that the sales manager they had met at RVC was not there to meet the FAM tour because it was on a Saturday. In Chinese culture, this was a demonstration that the sales manager was not really interested in a relationship with them, or in their business. Such an easy misunderstanding, with profound effects on potential business!

How to Negotiate and What Are Chinese Operators Looking For?

And remember that China is a gifting culture. It is appropriate to always bring gifts for your client, or be ready with gifts when the client arrives at your business. Appropriate items to offer would include regional artwork or products, ice wine or other Canadian specialties. It pays to investigate some of the tricky parts of gift-giving, since many common items have “hidden” meanings in Chinese culture. For more information and advice on appropriate gift-giving etiquette, visit [How to Give Gifts in China](#) and [Gift Giving Etiquette in China](#).

To support the creation of open and honest relationships with China-based tour operators, it’s best if you can hire a Chinese or Asian person to act as your representative – at least in the initial stages of developing business relations. If you ask them to be honest with you too early into the relationship you will sidestep a number of cultural concerns they have about being rude or impolite by telling you the truth. You, personally, will gain this level of openness eventually, but the fast track is having a Chinese representative on staff who your Chinese partners feel they can be open with.

Small Facts You Should Know to Avoid Big Pitfalls

When negotiating, try to remember that the Chinese operator is not only translating in his mind between Chinese and English, he’s also translating how he uses numbers. Quick translation and conversion of numbers can be challenging even for fluent English-speakers and it will be appreciated by your Chinese partner if assistance is provided during your conversations. In western counting systems we have terms that refer to large numbers, such as 25 “thousand”. The Chinese language does not include words for “hundred thousand” – denominations progress from 1, 10, 100, 1000, 10,000 and then directly to one million. So if you are confirming 25,000 room nights, that would actually be 2.5 multiplied by 10,000 in Chinese. To help avoid misunderstanding, allow time in your conversation for your client to calculate this in his/her mind. It is also helpful to show the numerical number (25,000) and the number in written form (twenty-five thousand).

Chinese, like other Asian cultures, hold great respect for business cards, or name cards as they’re referred to in China. Offer your card with two hands, and accept theirs in the same manner. Take a few seconds to read the card

when you accept it, and repeat the name to ensure you have made note of and understand the pronunciation. NEVER write on the front or back of a business card, or put it away quickly, as it shows very little respect for this person and their position in their company.

Another sign of respect is to have your business card translated into Chinese. Think of your expectation of someone who wanted your business, you would want their business card translated into English for you. Note that English names cannot be directly translated into Chinese characters as it can be in Japanese. Selecting an appropriate Chinese name is very important. Each Chinese character and word has deep meaning and significance, often signifying success, prosperity, wisdom, benevolence, status, and personality attributes. If your Chinese name resonates well it will help your Chinese clients remember you. It’s a good idea to have a well-educated Chinese friend or colleague assist you with the selection of a Chinese name.

The Chinese also associate the colours used on business cards or collateral with luck or misfortune. The most prestigious colour for

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Small Facts You Should Know to Avoid Big Pitfalls

a business card would be gold. For other elements like printed collateral, red signifies happiness and good luck; green signifies prosperity and health; and black or dark blue signifies death or mourning.

Take some time and have a little fun by learning about Chinese numerology – you will not be sorry. Numbers can mean good fortune or very bad luck to a Chinese person. The number eight sounds similar in the Mandarin language as the word for prosperity or wealth, so this number is considered to be very lucky. The number four on the other hand is associated with death and is regarded to be very unlucky. You will notice in your travels to China that hotel elevators will never offer a 4th floor. You might want to review your pricing to maximize opportunities around this belief. \$8.88 would be a very attractive price! Another

practical use for this information would be when assigning rooms and floors to your groups and especially VIP clients – it's never a good idea to put your Chinese executives on the 4th floor, or in a room that's labelled with the number four.

Another significant difference between the Canadian and Chinese market is tipping. In China, and many other countries for that matter, tipping is virtually unheard of. If you have a product that you expect a tip for, build it into the cost that you present to the Chinese operator. Otherwise the Chinese traveller will be confused, embarrassed and agitated with this unusual tradition, and your staff will grow to dislike a market that doesn't understand a predominantly North American custom.

Shoulder Seasons Are Prime Travel Times for the China Market

Beyond the size and potential of the China market, another great benefit of this new market is their key travel dates. Often based around national holidays, prime holiday seasons include: early May (May Day), early October (National Holiday) and January to February (Chinese New Year). This is similar to the Canadian market, where our high season reflects Canadian statutory holidays. Of course travel can occur throughout the year, but if the Chinese vacationer wants to link their holiday with statutory holidays, these will be the key times for travel each year.



What Travel Segment Are You After?

At this time, the ADS market is still highly price sensitive. What is attractive about this market is their high volume, which has the potential to create significant business and economic opportunities for BC and Canada. Therefore most of the information provided throughout this guide is how to target the ADS tour group market.

ADS enables Canada to market and promote to leisure groups of five persons and more. The minimum of five people is opportune for BC businesses, as it enables a family or multi-generational family to form their own leisure group.

Besides the leisure market, other key opportunities in China include the standard FIT traveller as well as incentive, government and business travellers.

FIT, according to PhoCusWright, is defined as “foreign independent travel”, or leisure trips abroad without an escort or fixed package structure. The research company goes on to explain that today FIT is more commonly known as “flexible independent travel”. The components of a FIT itinerary may resemble a package, but the itinerary is custom-built for the traveller. FIT products might be created for any travel segment that you’re targeting in China.

‘Self-drive’ is fast becoming popular in China, and Tourism BC staff are already receiving requests for self-drive itineraries, including camping and RV vacations. Websites providing FIT travel tips and online air,

hotel and rental bookings are abundant in China. Examples of these include:

<http://auto.sina.com.cn/driving/>

<http://bbs.ifeng.com/forumdisplay.php?fid=540>

www.go2eu.com/bbs/forumdisplay.php?fid=33
www.caryouyou.com/

Many tour operators are beginning to promote the growing segment of self-drive and FIT products to Canada.

Incentive travel is a booming sector, with Chinese businesses finding that travel is a highly effective motivator for employees and customers. Commonly referred to as the MICE (Meeting, Incentive, Conventions and Exhibitions) market, it’s the “I” in MICE that represents the biggest opportunity for BC tourism suppliers. According to a paper created by *MICE China Magazine* the main MICE clients are banks, financial services, insurance, medical, pharmaceutical, communications, electronics, automobile, health protection, power utilities, and manufacturing companies. Clients also include media, government and the education industry. These industries have the greatest demand for outbound MICE events. Incentive travel takes a commanding chunk of this business with 39.1 per cent.

A paper written by *MICE China Magazine* further advises that, “In the past 2 years [written in 2009], the choice of outbound MICE destinations has become quite diverse. For 2010 Europe, South Korea/Japan, USA/ Canada will become the most popular destinations for MICE service providers. Safety, costs, hotels and facilities are the 3 most important factors considered.”³¹

³¹ MICE China Magazine. (2009). China Outbound MICE Market Survey Report. Page 4. www.dotpcvc.gov.ph/Events/2010%20PHIL%20MICE%20CONFERENCE/post%20images/MICE%20Market%20Seminar/David%20Zhong%20-%20China%20Outbound%20MICE%20Market%20Investigation%20Repor.pdf

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What Travel Segment Are You After?

Unlike a number of Canadian or American incentive programs, the Chinese incentive market is based on all levels of hotel accommodation and the clients often appear as regular tour groups. *MICE China Magazine* states that:

- 52.2 per cent of incentive travellers stay in five star hotels
- 43.5 per cent stay at three or four star accommodations
- 4.3 per cent stay at economy hotels.³²

As always, when going after incentive business it's best to work with your city, convention bureau or region to ensure that you can adapt to any incentive group requirement or opportunity.

Mr. Cai Liang of GZL MICE advises:

It is undeniable that the knowledge of [travelling] Chinese tourists is still at an early stage, the depth of Chinese tourists travel is still in the incubation period. While providing activities or opportunities, we need to depend on the specific needs of customers. For the activities and opportunities, golf and skiing should be more interesting for Chinese tourist; these two may [help] to prolong their stay. In addition, some cultural and experiential, fun, local and distinctive attractions are what Chinese tourists [are] willing to participate [in]. For example: viewing aurora; experience in picking grapes or making wine; in addition, some unique and diverse shopping options are also interesting.

MICE operators are also looking for many global incentive experiences, including:

- team building
- gala event opportunities and venues
- unique regional gifts
- special treatments such as room upgrades for the VIP or 'diamond level' group members.

There are growing opportunities for destination management companies (DMCs) and event planners to work directly with Chinese agents, corporations or through receptive tour operators to supply this key market segment.

The **government travel** segment is another key target market, where travellers are authorized to travel outbound as part of government work or as a government-sponsored reward. Access to this group would still be through the standard travel channels, those being the tour operators and agents. These travellers will want all travel services taken care of, but would like their visit to be put together like a FIT tour.

As with **business travellers** from any other market, these travellers are looking for location, convenience, price and services. According to an article by LaSalle, "Bilateral trade between [Canada and China in 2009] totalled \$29 billion... With expanded trade, business travel between Canada and China is expected to grow sharply."³³ With many other business initiatives – beyond tourism – positioned to tie Canada with the world's largest market, the opportunities for business travel expand exponentially. Reaching these customers is still easiest through the travel channels of tour operators and travel agents.

³² MICE China Magazine. (2009). China Outbound MICE Market Survey Report. Page 6. www.dotpcvc.gov.ph/Events/2010%20PHIL%20MICE%20CONFERENCE/post%20images/MICE%20Market%20Seminar/David%20Zhong%20-%20China%20Outbound%20MICE%20Market%20Investigation%20Repor.pdf

³³ LaSalle, LuAnn. (June 26, 2010). Air Canada to Double China Traffic. www.winnipegfreepress.com/business/air-canada-to-double-china-traffic-97217204.html

How will the Chinese Visitor Find Out About Your Business?

Before engaging the China market, you must assess your product from their perspective. What would inspire the operator to take his tour beyond Vancouver, or to take the tour to your specific business within Vancouver? As Brandon Furyk identifies:

There must be a compelling reason for this market to get off the main path to seek the additional experience. One of the best ways might be to actually create an experience. These may not be experiences in the way we think of them, but the creation of something unexpected – like touching the “lucky inukshuk” at the top of Whistler, or drinking fresh glacier water from a certain place where it might also be brewed into a tea or a beer, or going to a famous site, which specifically builds on Chinese history. Make an attraction or experience resonate to the Chinese traveller.

Now that you're clear on what your product or service has to offer the Chinese visitor, how do you reach the market? For the foreseeable future China is a travel trade market, where our best access to the consumer is through the receptive operator, tour operator and travel agent communities. It's imperative that the key partners in each of these channels fully understand the features and benefits of your product.

But how does the traveller find out about your product? China is one of the most “switched on” nations in the world. There are many millions of Internet users in China, however, penetration is still quite low at 28 per cent versus 75 per cent in North America and Europe. More than 60 per cent of Internet users in China are concentrated along the eastern seaboard, in the large east coast cities that Tourism BC is targeting - Beijing, Shanghai and Guangzhou/Shenzhen. The Internet is the major source of information with 81 per cent of all users checking online prior to making a purchase.

Tourism BC is pursuing strategic execution through C-Trip, which is an online agency in China similar to Expedia or Orbitz. Packages and information positioned on this site provide an excellent opportunity for BC's story to be seen directly by the consumer.

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How will the Chinese Visitor Find Out About Your Business?

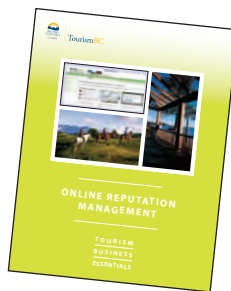
Social media is leading the way and influencing travel decisions in China (as it is in many other countries). User-generated information is responsible for 59 per cent of all purchase decisions. Blogs are actively read by 90 per cent of Internet users (in comparison only 61 per cent actively read them in the US) and a remarkable 81 per cent actively write blogs (the USA in comparison have 33 per cent of Internet users engaged in this type of activity).³⁴

Additional Resources

Online Reputation Management

This guide explores the explosive popularity of social networking and how it relates to the tourism industry. Online reputation management is the process of monitoring, reporting and reacting to online feedback and opinions about your business and its products and services. This guide will assist business operators to learn more about actively participating in social networking by engaging travellers and generating content, as well as using consumer feedback to strengthen business and to build loyalty and advocacy.

For more information on this and other *Tourism Business Essentials* guides and workshops, visit the Tourism Industry Programs section of the Ministry of Jobs, Tourism and Innovation website at www.jti.gov.bc.ca/industryprograms/TBE



Additional Resources

Online Marketing

This guide outlines how tourism businesses can take a leadership position in online marketing and social media. Through specific tourism-related examples, the guide explains how to get started and provides best practices for using online marketing and social media - essential tools for promoting your business in today's market.

For more information on this and other *Tourism Business Essentials* guides and workshops, visit the Tourism Industry Programs section of the Ministry of Jobs, Tourism and Innovation website at www.jti.gov.bc.ca/industryprograms/TBE



And this is not a recent phenomenon. Chinese websites such as Sina, QQ, and Sohu have been offering social networking, bulletin boards and blogs long before Twitter and Facebook were even created. China has an estimated 384 million social media users!

This legion of Internet users has the potential to set up your business for success or failure. Each time you have a Chinese visitor, the chances are very high that they'll tell your

³⁴ These percentages are only approximates of Internet-user behaviour.

How will the Chinese Visitor Find Out About Your Business?

story to their community online. For example, 40 per cent of Chinese travellers post travel reviews and upload photos and videos. This compares to only 20 per cent in North America.

Before a Chinese outbound traveller even contacts a travel agent, 61 per cent of them will check for information online. All major Chinese agents have online information and/or booking capabilities.

Before you excitedly translate all your web communications into Chinese, here's the problem: the 'great firewall of China'. The Chinese Internet is highly censored. Social

media sites that we have access to, such as Facebook, YouTube, Twitter, and Online Travel Agencies (OTAs) such as Travelocity or Expedia are blocked in China. The reality is that foreign-hosted sites are slowed down or fully restricted in China. The best solution would be to have a China-hosted domain, which ends in .cn. This site would need to be supported by effective search engine optimization and key word marketing in order to be found by Chinese search engines. While this is not practical for most tourism businesses, rest assured that Tourism BC has such a site and is actively promoting BC businesses from behind the firewall.

The Forgotten Chinese Market

They know BC better than some BC residents, and they have an emotional attachment to our province. They're our ex-pat Chinese community returned to China; and they're our new Canadians who have arrived in recent years who still have strong language, cultural and family connections to China. They are part of a global community of Chinese people who have made other countries their home, and now live in the USA, Australia and myriad other nations. They are more sophisticated travellers, understanding western customs and pricing to a degree that their counterparts in China have yet to learn, but in every other way they are our Chinese consumer. More importantly, they are interested in travelling to parts of BC that they have never been to before, either in groups or independently.

How do you reach this more affluent and influential global market? A number of ex-pats now live in Hong Kong, so working with operators and media there to promote your product is one solid strategy. Another avenue

to reach the global Chinese market is through your local Chinese receptive tour operator. Along with their customers from mainland China, many of them actively market tours for 'local' Chinese.

Cost-effective advertising is also available in local Chinese newspapers. The staff who work at these publications communicate in English and Chinese, and understand both Canadian businesses and the consumer you are trying to reach. The primary publications in BC are *Sing Tao*, *Ming Pao*, and *World Journal*. As with any advertisement or media release, your information must be translated into the language of the reader. And if you think that this will only target the Chinese people living in BC, think again. Leona Zheng of Tourism BC said that she regularly sees pick-up of stories from these BC papers in mainland Chinese papers within 24 hours. This may be one of your fastest and most consumer-direct marketing opportunities in China.

7 Welcome the Chinese Traveller to Ensure They Return Again and Again

A bit of fragrance clings to the hand that gives flowers.
- Chinese Proverb

What You Should Say

One core thing to do in making a Chinese traveller feel welcome is to ensure that you provide basic information in their language. As Mavis Zheng of the CTC China suggests, *“This might be welcome or safety information, menus or product details. If you have a Chinese language TV station, please have this information in writing and details on how to access it.”*

And since all language – any language – is subjective, it’s a good idea to ensure that certain terms that reflect BC and its region are aligned with the Chinese spelling that is used by Tourism BC and the CTC. A Chinese translation service can be found on the [Appendix 1 Resources](#) page of this guide.

When you are translating print material for mainland China, ensure that you are using simplified Chinese characters. Traditional Chinese characters are used only in Taiwan and Hong Kong. For video or radio productions, Mandarin is the required official language, as opposed to Cantonese which is primarily spoken in Hong Kong and southern China (Guangdong province).

It is also quite easy for your frontline staff to learn the most basic of Chinese greetings. The term hello is *nǐ hǎo*, pronounced ‘nee-how’.

Thank you is *xièxie* which is pronounced ‘shiy shiy’. Goodbye is *zàijiàn*, pronounced ‘zai-dgien’.

For official translation of your collateral, it’s recommended that you have two separate translators; one for the primary translation and the second to ensure that it is correct and would be understood by all consumers. As with English, you may say something in a different way than a friend would, but you are both correct. However, one version might work better for a more general understanding of that fact – that is the safeguard a second translator provides.

It is recommended that your translation is always done by a native Mandarin speaker; preferably someone who lives, or has recently lived, in mainland China. For a suggestion for translation services, see the [Appendix 1 Resources](#) page at the end of this guide.

Culturally Specific Behaviour

The potential for a cultural misunderstanding is quite significant when attempting to serve Chinese customers. It is highly recommended that businesses identify potential issues or situations, and some simple strategies for addressing them.

China, like a number of countries, is predominantly a **smoking** nation. Most customers will be advised by their tour leader that they are not permitted to smoke in public places, and that there are penalties for smoking in a designated non-smoking hotel room. Still, the message does not always get through. A practical approach to this subject would be to politely welcome your guests by immediately showing them where they are permitted to smoke, and to provide a reminder about non-smoking policies – in Mandarin of course.

Another common issue is the tendency for Chinese travellers to **chat loudly** and excitedly among themselves, and to wander from table to table visiting friends during meal services. They may appear extremely rude to those around them, but this is quite normal behavior in China and is not meant to be inconsiderate to other diners. To respect the needs of all your clients, it may be best to specify locations that will separate them. Be it a restaurant or your lobby, you might want to ensure separate sections are created that will allow each culture to act in their own way without negatively impacting the experience of the other guests.

As Yang Liu displayed in [Chapter 2, page 14](#), it's not in the Chinese culture to understand **queuing**.

Expecting Chinese visitors to naturally get in a line would be as challenging as it would be if we were in China and supposed to know to bunch together in a mob for service. Instead of wishing they'd just 'know', help your visitors adapt to western customs. Perhaps create pathways using markers, or have additional staff on hand during group check-in times to help direct the visitors. Signs would be helpful that indicated 'please join the queue'. And be prepared to teach your front line staff to say 'I'm sorry, there's a queue'.

Anticipating where there may be cultural issues will help you prepare in advance for these moments, and will ensure that your Chinese guests, as well as those from Canada and other nations, will respect and understand your processes.

Another cultural reality in China is that it's normal to **haggle, or barter**. This is not unlike when Canadians visit Mexico, where it's customary to negotiate many retail prices. In China, it's commonplace to barter, and they will try this with almost every element of their trip to Canada. The option is yours to extend a better price or not. They may still buy at the price you quote, but asking for a deal is just part of their culture. We expect prices to go up with taxes; they expect prices to go down with negotiation. Again, it's just what they are used to. So being prepared with additional value considerations – such as “value-added” options which may not affect your bottom line, but add perceived value to the buyer - or other price/value strategies, and some Mandarin words to help communicate, will help you and

7 Welcome the Chinese Traveller to Ensure They Return Again and Again

Culturally Specific Behaviour

your customer have a pleasant and profitable interaction. Learn to have some fun with haggling and your enjoyment of the Chinese market experience will improve a hundredfold!

Remember – Chinese travellers are remarkably engaged in social media and chances are that their experience at your property or business will be showcased in China long before they return home. So let's all try to be the story they tell about being made to feel relaxed and welcome in BC.

If you are serious about your investment in this market, and setting up for the financial returns that it can provide, consider having

your front line staff trained through the *WorldHost Service for Chinese Visitors* workshop. WorldHost® Training Services (formerly SuperHost® Programs) set your team up to deliver the experience that will have the Chinese traveller wanting to return. In this workshop you and your staff will learn more about Chinese customs, the potential of this market, how to communicate with Chinese visitors and how to handle cultural situations. To find out more about this program, visit www.worldhosttraining.com/ or phone: 250-387-1711.



Comfort Food

No matter how open we are to trying new things, at some point when we're travelling, we crave the tastes of home. Food service providers can invest in training kitchen staff about techniques and recipes that are popular in mainland China. Businesses can make adaptations, even small ones, which will go a long way towards making your guests more comfortable.

Visit the China National Tourism Administration's website for more information on popular mainland China foods and drinks. <http://en.cnta.gov.cn/TravelInChina/Forms/TravelInChina/Food.shtml#>

As for our traditional Canadian foods, our standard Canadian hot breakfast is perhaps the most similar to Chinese fare. They too appreciate the traditional egg-based breakfast, but it is easy to cost-effectively modify it to include a few Chinese staple foods such as congee, a rice-based Chinese version of porridge. There are many variations of congee, but the basic version just requires one part rice to three parts water. That's it! And to make it even more special you could provide additional foods or sauces that Chinese visitors can add themselves, including Chinese pickles, duck eggs, tofu, bamboo shoots, and nuts. However, if you are not sure of how to prepare these items, it is better not to provide them. Julie Wang of CAL Travel says, "*Chinese style breakfast will be (a) plus, but it won't be a big factor. It's not necessary, one item or two is good. It is bad that properties try to impress the group [and] end up not doing a good job*".

For lunch, Chinese people still prefer a hot meal rather than the Canadian standard salad or cold sandwich. They will want a rice or noodle-based hot meal but it doesn't have to be authentically Chinese – stir-fried vegetables with tofu, meat with rice or noodles, or a rice or noodle-based soup will do just fine. Keep in

mind that cream and cheese-based sauces are not well tolerated by Chinese stomachs.

For dinner Chinese travellers are used to having multiple dishes served family style, but are fine to have their meal plated as we would in Canada. However, the meal would ideally include soup, a meat course, noodle or rice dish, and end with fresh fruit. They are also open to trying "local specialties", which would include BC salmon, Canadian maple flavours or other regional dishes.

Self-serve and food stations are not appreciated by Chinese visitors. It is seen as more respectful and elegant to be served, rather than lining up and serving yourself. This is critical, especially for VIP type events.

Finally, to make a Chinese diner feel very comfortable, seating them at round tables is best. The next best dining configuration is to have square tables. Multiple, square tables with 4 people at each is preferable to one long table that can hold the entire group. The perception of a square or round table is that all who are seated there are equal, rather than having a 'head' of the table that is created at a rectangular or oblong table.

For any meal, the traditional Chinese palate (this may not apply to younger, more westernized, younger travellers) does not appreciate cold food. Their drinking water should not be ice cold, rather it should be room temperature or warmed. The same principle applies for juice and milk, and even beer and soft drinks are preferred at room temperature. Although many Chinese travellers love to try local wines and scotch, many prefer juice, tea, Coca Cola, or soy milk.

As mentioned earlier, Chinese people are not familiar with tipping. Please ensure any requirement for tips is included in the cost of the meal, or other service.

7 Welcome the Chinese Traveller to Ensure They Return Again and Again

Where They Stay

The Chinese traveller understands brand names, which will heavily impact their hotel choices. As Julie Wang of CAL Travel advises:

“Brand names are what [the] Chinese expect, because they think it is trustworthy, though it might not be true. We try other [ways to] provide them with a local brand with a good reputation, but they [would] still rather choose the one with [the] brand name. I know this is going to be a big challenge.”

All hotels have physical realities that cannot necessarily be easily altered to suit Chinese preferences. In China, their hotels have expansive lobbies and foyers, and all rooms are decorated with *feng shui* in mind – which positions objects to receive the best balance of yin and yang.

When assessing a hotel for Chinese clients, Ms. Wang reminds, *“If properties make themselves too ‘Chinese’, they will lose their identity. I would not suggest significant changes, just a little touch, such as in-room information and general information on [a] stand in the lobby.”*

Again, using the example of what you’d like if you were staying in China, the more information that you have written in Chinese for your guest to understand, the more they will feel welcome.

As for guest amenities, hotels in China traditionally offer it all. They include everything from shoe shine service to disposable toothbrushes. As Henry Yau of TPI Silkway points out, for a quick win you’ll make your Chinese visitor feel welcome in their BC hotel if you have a kettle in the room (not just a coffee maker), and especially if



Photo: courtesy Delta Hotels and Resorts website

you have oolong or jasmine tea available. A special addition would be to also offer guest slippers. And finally, if there is a mini-bar, adding noodle soup cups will go a long way in winning over the Chinese guest.

As with any other tour group, it is customary to offer complimentary rooms to tour leaders, and, when available, upgrades are always highly regarded by the group and the company that booked the tour.

As mentioned earlier, allocating a smoking area and having a separate area for your more vivacious and loud Chinese groups to congregate will ensure that these travellers and your other guests both enjoy an excellent and respectful experience.

Finally, as Mavis Zheng of the CTC China reminds, *“It would be greatly appreciated to have flexibility on late booking and last minute name adjustments. That is the way that business is done in China. And twin or double/double room configurations are most preferred.”*

Name Brand Purchases

The Chinese traveller's appetite for shopping is enormous. Global brands such as Louis Vuitton, Prada, Burberry, Versace, Armani, Dior, Omega, and Tag Heuer are highly coveted and priced considerably lower in Canada than in China. The Chinese tourist will also look for items that are unique to the region they are visiting. They consider unique purchases to be "status" items.

You can connect your Chinese traveller to BC ginseng, or introduce them to local arts and crafts. Golf shirts from one of BC's premier golf courses, or logoed golf balls would also be desirable. If you have a product that is globally known or locally sourced, your Chinese traveller would likely consider it as a possible gift for those at home, or as a memento of their trip to Canada.

If you own a shop and are asked by a Chinese tour escort to pay a stipend, it is up to you whether you do or not. As with other markets, ensuring that the guide has an incentive

to visit your business can be a good thing. However, be aware that if the escort is looking for a commission on the total amount that is purchased, or if they suggest that you increase the price of the items in your store to ensure he or she gets a bigger cut, you will likely be blacklisted by the CTC and TIAC from future promotional or program opportunities. DO NOT increase your end price to the consumer in order to pay commission to a tour guide. These types of practices can discredit and severely damage the sustainability of our market appeal to Chinese visitors. Tourism BC, in partnership with the CTC and TIAC, ask each BC business to be vigilant in this respect – and if you learn of any businesses that is going against these standards and putting the BC market at risk, "blow the whistle" and advise the CTC or TIAC. This will ensure that this practice will be halted, and the market protected for businesses in years to come.



7 Welcome the Chinese Traveller to Ensure They Return Again and Again

How They Travel

All Chinese visitors to Canada will, at some point, travel on a motor coach. Again, the purpose of the CTC/TIAC Quality Assurance program is to ensure that travellers actually experience the places they are visiting, rather than spending countless hours on a bus or plane, flying by attractions and key tourism locations. BC law states that no motor coach driver can be on duty in excess of 10 hours. Often tour operators from China – who don't know the geography of our province, where rest and meal stops are located or the amount of time required to visit different locations – may request that this full driving time be used to get to the furthest destination possible. Ensure that you help the operator to create the best package for their clients, and for our tourism industry. Imagine how you would feel arriving off a 12-hour flight and then sitting on a coach for hours without a break.

Tour operators are advised to add a number of scenic stops and/or picture taking stops.

It has been said that the Chinese traveller enjoys getting a picture taken at a location almost as much as the experience of being there. Giving your Chinese clients many opportunities for photo stops will make their journey a better one, and provide them with images of their trip that they can easily share both on the web and in person. One resourceful BC tourism operator found great favour among Chinese tour operators by providing "lucky draw" prizes to the tour guide to present to their clients at the end of the visit. This enabled the tour guide to have some fun with the guests on board and left everyone with a happy and long-lasting impression of his attraction.

As with all front line service, speaking a few words of welcome to your Chinese clients will be greatly appreciated.



8 Getting Started

Dig the well before you are thirsty.
- Chinese Proverb

Create a China-Specific Market Strategy for Your Company

Chances are that your business isn't a unique, China-only type of product. Therefore, your Chinese market strategy should be integrated into your overall marketing plan.

China is similar to any market in that it will take time to grow, and with that understanding you must temper your investments according to short and long-term return potential. As expressed above, China is a relationship-based market and building those connections doesn't happen overnight.

Your plan for the Chinese market might include a "tier" strategy of four or more levels. As Brandon Furyk of Fairmont Hotels & Resorts advises, the first level is usually contacting your [local DMO](#) or region to learn what they are doing in China, so you can align with, and leverage, their efforts. Ensure they know about your business, and can give you personal advice as to how your business can fit into their general regional or city touring strategy.

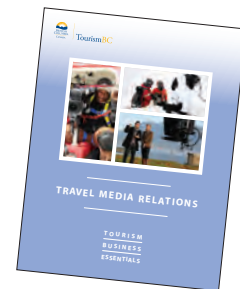
The next "tier" would be to ensure that you've informed your [regional DMO](#) that you want to be involved with Tourism BC familiarization tours – otherwise known as FAMs. FAMs offer a chance for key influencers, both in the travel trade and in the media, to experience your product firsthand – and no amount of verbal or written selling can replace that opportunity.

Additional Resources

Travel Media Relations

Tourism British Columbia has developed a Travel Media Relations guide which will instruct you on how to build long-term relationships with the media and how to assist them to produce a good story. This guide is part of Tourism British Columbia's informative Tourism Business Essentials series of how-to guides.

You may obtain further information on this guide and other *Tourism Business Essentials* guides by visiting the Tourism Industry Programs section of the Ministry of Jobs, Tourism and Innovation website at www.jti.gov.bc.ca/industryprograms/TBE



8 Getting Started

Create a China-Specific Market Strategy for Your Company

Once you have evaluated your product and ensured it's **market-ready**, try connecting with businesses who sell to Chinese operators. Get the current list of accredited receptive operators both in your area and across Canada. Send them information on your product and follow-up with a phone call. Try to create a contract with these businesses or operators.

To meet Chinese buyers in a business environment check out the possibility of participating in **Canada's West Marketplace (CWM)**. CWM is an annual tradeshow held during late November or early December, and alternatively in BC or Alberta. It offers scheduled appointments for tourism suppliers and buyers across all key Canadian travel markets. You can also apply to **Rendez-vous Canada**, which is a national marketplace held in May at varying Canadian locations.

If it isn't possible for you to attend these travel trade events, ensure your collateral and product information is distributed at the show by your region or city DMO. These representatives will be the first to know about an opportunity for your business and new potential clients.

Throughout the process of growing your China sales and marketing efforts, continually check back to the TIAC website (www.tiac.travel/china/accredited.htm) and the CTC market update (<http://en-corporate.canada.travel/china-research>). This way you can stay on top of any strategy changes from a federal perspective and ensure you're dealing with only accredited receptive operators.

And as Brandon Furyk of Fairmont Hotels & Resorts advises:

"Get involved. Join Canadian Inbound Tourism Association, Asia-Pacific (CITAP). You should be part of a 'Team Canada' collective approach to the marketplace. Get the opportunity to meet with others. Show up at events. Be part of, as an example - DMO cocktail event at RVC for Chinese buyers.

It shows that you're in the game. Example: I have multiple business relationships with RTOs in eastern Canada. I would not have had the opportunity to do business with these companies if I had not met them at the CTC Marketplace in Canada."

Only when you have a solid foundation and can expect a more immediate return on your investment should you plan a trip to China. When that time is right, contact Siobhan Chretien at chretien.siobhan@ctc-cct.ca at the CTC in Vancouver to enquire about China and to be notified for registration at the China Showcase or Asia Showcase (the latter includes marketplaces with all four CTC Asian markets – Japan, Korea, India and China). For more information, visit www.showcasecanada.canada.travel/

The best way to maximize any tradeshow is to travel to the location prior to the show or extend your stay. Make appointments with China tour operators to train their staff about your product, and to make further inroads on the amount of product they contract from you. *Do not do this on your own.* Again, your region is the lead and your product is one of the gems that will bring the Chinese visitor to your area. Work with your local DMO or region to create team sales calls and training opportunities.

In 2011 Tourism BC will offer the services of an in-market marketing manager to assist BC businesses ready for a visit to China. It is important to keep in mind that Chinese travel agents are often not able to accept sales calls from the many thousands of businesses keen to meet with them every day. The Tourism BC team is here to help navigate these complex waters and deliver the best return on investment for all. To contact a Tourism BC representative, visit www.jti.gov.bc.ca/industryprograms/ConnectingWithTravelTrade/TravelTradePrograms-Overseas/ProgramsAsia.htm

Create a China-Specific Market Strategy for Your Company

And again, remember that relationships are critical when dealing with prospective Chinese operators or clients – take the time as a region to host China-based partners for lunch, drinks or dinner. Even though it’s an old-fashioned notion, more contracts are written initially on cocktail napkins than on official documents. As Cindy Gobin says, *“If you’re not often enjoying meals with your Chinese colleagues, you’re not creating a relationship.”*

An important and often overlooked business gesture is to follow up on any meeting or call you make. Whether you contact a receptive tour operator in Canada or a China-based tour operator, if you don’t follow up on that meeting, it will have been a waste of time.

You can’t solidify a business arrangement in a 12-minute tradeshow meeting, or on a 15-minute phone call or during a 30-minute in-person meeting. You will always need to follow up with images, details, contracts, and other ongoing information.

If that information includes the fact that your staff has been trained to welcome Chinese visitors successfully, you will be ahead of the pack. The most up-to-date training programs on this and other markets are available through WorldHost® Training Services. For more information visit www.worldhosttraining.com or phone 250-387-1711.



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Getting Started

When You Can, Don't Do It Alone

Let's examine this idea in reverse. If a Chinese hotelier (or attraction or service operator) came to see you in your town in BC and told you about their great product, you might be sold. But if they came with examples of other tourist attractions or businesses near theirs that complimented their product, and helped create a near-perfect travel itinerary for you, you would be much more likely to buy. You would be able to see how all the pieces of your trip would fit together, and how you'd move from location A to B to C.

Now think of it in terms of promoting your own business in China. You certainly aren't expected to anticipate exactly what the Chinese operator will need in an itinerary, but providing options for add-ons (other businesses or locations to visit near yours) would be quite helpful to them and create a more enticing product. Perhaps share other itineraries with the operators that have been popular for other countries, especially if it is an itinerary that has seen growth and profit.

It makes it easier for the Chinese operator to both imagine and create an itinerary if you work in partnership with other businesses, but the added bonus is that partnerships makes

it easier for you, too. As an example, let's say you own a guest ranch outside of Kamloops, and you have \$5000 to put towards marketing in China per year. If you find a restaurant and retail store in Kamloops, and work with two attractions midway between Kamloops and Vancouver – and if you each brought \$5000 to the table – your collective promotional budget could increase to \$25,000. A budget this size would allow you to update your image database, create a collective brand, or offer marketing assistance to the Chinese operator. And as every business operator is always short on time, dividing the marketing efforts between members of a collective partnership would provide you with greater returns and less work. It's a win/win opportunity!

Brandon Furyk of Fairmont Hotels & Resorts said:

"I don't see people succeeding if they just go in on their own. There is huge value through participating with Trade/PR/Media FAMS. And that's how Fairmont became popularized and how we positioned our value: we had operators experience our product."

Know Your Local Stories

Are you located off the Yellowhead Highway? Do you know how it got its name? Are you located in Victoria? Do you know who Victoria is named after? Do you know the history of Butchart Gardens? Are you located in Prince Rupert? Was there a prince your city is named after, or was he a baron of industry?

To the Chinese, and to a lot of people, a story makes the place and everything in

it come to life. The Chinese are curious travellers and want to understand what they're seeing. In general, Chinese people are fun and love to have a good laugh so you can enjoy entertaining them with good stories. Be armed with the tales of your business, your region and BC in general. You'll have a distinct advantage over those who present their businesses in a one-dimensional fashion.

What They Say About Us...

A good partner in our eyes is the one who really settle to learn Chinese market, to get familiar with Chinese culture and travel spending habits. We have set up initial contacts with BC's suppliers and we will strengthen our effort to communicate with them in order to better establish China market.

Mr. Li Huai Fa,
Shanghai China Travel International

It's good to think of new opportunities. You may consider promoting Chinatowns, especially the one in Victoria which is the earliest one in North America. Other unique destinations to consider would be Kelowna in summer and Big White or Sun Peaks in winter. Of course a special rate would be helpful to promote. We realize there are also more Chinese convention groups at the Vancouver Convention Centre, so it might be good to provide more corporate related information.

Mr. Henry Yau,
TPI Silkway

BC and Guangdong Province have a good partnership, and Vancouver and Guangzhou are sister cities. What's more, in Canada, BC is the region which is closest to China. Therefore, we would keep on recommending BC to our travellers while they are considering about touring Canada.

We are grateful to the Canadian Tourism Commission, Tourism BC and Vancouver Tourism for your support and help. We believe that there will be more and more Chinese tourists going to BC for tourism, we have the confidence in developing a closer cooperation in the future relationship between BC and GZL.

Mr. Cai Liang,
GZL MICE, Guangzhou

With Canada just opened, what the Chinese traveller expects is more like they see on the photo of the commercial; a snap shot of it.

It will take a little while for them to extend their vacations. Currently, one or two nights in a major city will do...averagely, about 12-14 days (including airtime, so 10 days of land).

Canada is a young country compare to China, but we have fresh air, beautiful coast line and mountains.

It will happen, but just not yet. They will pay lots to come overseas, so they want to get most of it. There will be people who come for quality vacations and visit in depth.

Ms. Julie Wang,
CAL Travel, Vancouver

Why would Chinese people want to visit BC? Our multi-culturalism is what they'd envy about BC. This is inspiring to the Chinese traveller.

And remember it's all about teamwork. It's crucial to have a relationship with the receptive tour operator, who will be your main promoter in China. And communicate often with your RTO so they are aware of any changes or new opportunities, which they in turn can market in China.

Mr. Albert Tseng,
NTS International, Vancouver

8 Getting Started

What They Say About Us...

For the majority of programs that the Chinese travellers participate in, they do not need a full program which would take hours. Many travellers prefer to 'taste' an experience, with the duration usually being around one hour, and having enough time for them to take pictures. So if it is workable, programs designed for Chinese travellers could be shorter than those created for Western tourists. Chinese travel agencies are hesitant to include some programs due to language reasons, but if the program doesn't need a lot of interpretation, the Chinese visitor would love to experience different things.

Core issues to remember about the China market are: requirements for flexibility on changes; to be available beyond standard office hours or have a mobile number provided; ideally to have Chinese speaking staff who can read and write emails and quotations in Chinese by using MSN, QQ or Skype. Or work with a RTO that will provide those services.

Mrs. Mavis Zheng,
General Manager – China
Canadian Tourism Commission, Beijing

Three agencies in our three primary target cities have advised the following:

Beijing: Vancouver is one of the most popular and familiar cities to Chinese tourists. However, Chinese tourists expect to see more natural scenery and wildlife in Canada, in addition to big modern cities. Chinese travellers have been to many big cities and China has many modern big cities as well. Tourists show increasing interest in beautiful mountains, lakes and animals. Cities like Vancouver combined with nature or unique culture would help create excellent itineraries. Try to add destinations like Whistler or Victoria – we are always looking for more natural elements in our products.

Shanghai: BC has the most comfortable weather in Canada. It is really a very good all-season destination. The itinerary with famous cities and beautiful natural scenery will be the most popular type of product in markets now. Yet with the market developing, our agency needs to develop more sophisticated itineraries. We need more knowledge and information on these opportunities in BC.

Guangdong: BC is a must-see destination in Canada. It is very important to have different levels of product in the market: economy tour, high-end, luxury tour, etc. BC and Vancouver are very famous to the Chinese people. In this way, agencies should prepare various options for clients. Fortunately, BC has many luxury top level hotels, restaurants and activities as well as the basic required facilities. We will provide our clients with different itineraries and experiences according to their demands.

And Mavis Zheng of the CTC China adds these comments:

“As for business increasing to BC, these three agencies have advised that they highly expect that it will do so, Vancouver is the hub city for Chinese, and it is a must-see area. These agencies expect itineraries and programs to be expended beyond Vancouver, Whistler and Victoria once the market knows more about BC and what awaits them through the province.”

What We're Saying About the Opportunity That China Holds

Post China/ADS workshop

From the *Victoria Times Colonist*, August 26th, 2010: "...Gobin's tips may already have come in handy." Renu Bawa, director of sales at Abigail's Hotel, said she used some of her suggestions during a call with a tour operator yesterday afternoon. "Her tips helped with that group," said Bawa, noting they now have a contract booked for October. Bawa said, as the hotel hopes to take advantage of the Chinese market, Gobin's direction will certainly guide them. "It's really about the simple things, paying attention to what their needs and requests are and having respect for the culture is huge, too." She said they were told to print brochures with simplified Chinese information, promote tours to multi-generational travellers and focus on "the Super, Natural side of BC".

A reflection from Brandon Furyk of Fairmont Hotels & Resorts:

"The unexpected benefit to working in this market is that it will teach you about the way that you do business, and will help you assess and correct how you are doing things in all markets. What happens in China amplifies processes and procedures that you may have been operating with, that when exposed prove that they need changing. An example is that you might be willing to change a requirement for the promise of business from China, which you have not allowed with markets that are presently delivering. Question why you'd change things, and if after thinking that through believe you should make this change, you should do it with other markets."

Have Fun, Do a Good Job, and Look Forward to New Opportunities...

Underscoring all this activity is just enjoying the process. The Chinese are fun loving, interesting people and you can learn about a new culture while working with them. The rewards for all this effort are new business opportunities. As the title of the lead story in the (English) *People's Daily Online* indicates, Canada is high on the list for Chinese tourists planning to travel and invest abroad.

"Only a few weeks after finalizing its Approved Destination Status (ADS), Canada has already ranked the third most popular tourist destination among the Chinese looking to

travel abroad, according to a survey released Monday [July, 2010]. In a telephone poll of 1,080 people living in Beijing, Shanghai and Guangzhou, the 'Research Report on China's Outbound Tourism Market' found Australia to be the most desired destination of prospective Chinese travellers, followed by Singapore and Canada."³⁵ We're topping the Chinese market's list of most desirable locations to visit, so let's work together to make their stay a memorable one.

³⁵ People's Daily Online. (July 13, 2010). Canada high on list for Chinese planning to travel, invest abroad. <http://english.peopledaily.com.cn/90001/90776/90883/7064052.html>

Appendix 1 Resources

[Canadian Tourism Commission](#)

Society of Translators and Interpreters of
British Columbia: www.stibc.org/

[Tourism BC's Image Bank](#)

Tourism BC's Image Bank is available to the tourism industry to assist in promoting travel to, and within, BC. High resolution images and HD videos are available for free use in promotional materials such as print advertising, websites, presentations and brochures.

Ministry of Jobs, Tourism and Innovation - Industry Resources

www.jti.gov.bc.ca/industryresources/

Appendix **2** Glossary

ADS

Approved Destination Status

CTC

Canadian Tourism Commission

CWM

Canada's West Marketplace

FIT

Foreign Independent Travel or Flexible Independent Travel i.e. leisure trips abroad without an escort or fixed package structure; itineraries are custom built for the traveller.

ITOAP

Inbound Tour Operator Accreditation Program

MICE

Meeting, Incentive, Convention and Exhibition

RTO

Receptive Tour Operator

TIAC

Tourism Industry Association of Canada



Ministry of
Jobs, Tourism
and Innovation

