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# A PERSPECTIVE ON CHINA TO INDIA TOURISM

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**ABSTRACT**
China has emerged as one of the largest outbound tourism markets globally and during the first six months of 2018, up to 71.31m Chinese citizens made outbound trips, an increase of 15% compared to same period in 2017. With the total expenditure on these outbound travels reaching 115 billion USD in 2017, making Chinese as the largest spenders in the world on tourism. In the next decade outbound travel from China is projected to jump to 390 million, but there seems to be a shift in spending by Chinese tourists that indicates a significant trend – Chinese holiday makers would seem to be spending more on activities and less on acquiring goods and services. The paper identifies that China's neighbor India is missing out on the opportunity and has potential to increase its inbound tourism by tapping into its largest neighbor and paper explains how India can enhance its value proposition to attract Chinese Tourists and fostering an environment in which the tourism industry can deliver to the expectation of these tourists. The paper puts forward six recommendations, highlighting the key actions required to increase the tourism from China to India and delver to the expectations.

**Keywords:** Chinese Tourists, key tourism objectives, digital support, social media, origin and destination, airlines, Buddhist circuit, travel bloggers

## INTRODUCTION

Based on China Travel data, the 20 most popular destination countries for Chinese tourists in 2017 were Thailand, Japan, Singapore, Vietnam, Indonesia, Malaysia, Philippines, the USA, South Korea, Maldives, Cambodia, Russia, the UAE, Italy, Egypt, Australia, Germany, Sri Lanka, Turkey and
The UK. In 2017, Thailand and Japan remained the two hottest destinations, attracting 9.8 million and over 7 million tourists from the Chinese Mainland respectively. Southeast Asia and South Asia witnessed the highest growth rate in 2017 where as the number of Chinese tourists to Vietnam increased by 127% and Singapore had a year on year growth of 50%. India's two tiny neighboring countries Sri Lanka and Maldives are also ranked in top 20 destinations for Chinese tourists.

Chinese Inbound tourism into India has a significant potential considering India's historical diverse cultural heritage, traditions, monuments, food etc. Both countries been working hard to increase people to people

exchanges as demonstrated by both President Xi Jinping and Prime Minister Narendra Modi as they decided to observe 2014 as India Tourism Year in China, 2015 as China Tourism Year in India and 2016 as China-India Tourism year – a 3 consecutive years tourism growth strategy as officials proposed that time a target of raising tourists from and to both countries to reach one million. In quantitative terms the number of Chinese visitors has clocked a fourfold increase in the last ten years: from a mere 62,300 in 2006 to 251,313 for 2016 but this continuous growth doesn't seem to be sustainable as visitors to India for 2017 dip to 225,482. For Indian tourists during this 3 year period China has become a top destination and Indian tourists' arrival into China reached approx 1million in 2017. A dip in arrivals of Chinese tourists could be due to the border issues as Chinese Embassy in New Delhi had issued several advisories during 2017.

However hence there are a lot of efforts that India needs to put in to promote the tourism sector in China as misunderstandings can prove to be an aberration to expanding the tourism numbers. Chinese tourism in India has significant potential that is untapped, thus there is an urgent need to develop a way forward for short term, medium term and long-term engagement with China. There is need to answer several key questions to develop a road map of efficient execution of ideas that would contribute positively towards greater inbound tourism into India from China.

**Need for common identifiable objectives and goals**

There are several articles, papers that focus primarily on what percentage of Chinese outbound tourist that India needs to tap onto. These papers, articles also focus on what level of spending that India should target from these travelers, and with some calculations a ball park number is arrived at, that could add to reducing bilateral trade deficit between India and China. However, what these papers and articles fail to discuss is, how these targets, will be achieved, does India understand the needs of Chinese tourists before setting the targets and steps needs to be taken to achieve these targets.

A recent study by Nielsen on Chinese tourists on what they care about when selecting travel destinations and tourist attractions, Chinese tourists care most about the beauty and uniqueness of tourist attractions (56%), followed by the local environment, which includes safety (47%), ease of visa procedures (45%) and friendliness of locals to tourists (35%). As disposable income continues to grow, cost is only the 5th biggest consideration for Chinese tourists. Leisure, Shopping, Enjoying Food, Adventure and Romantic Getaways ranked as top 5 objectives to travel overseas.

**Perception of India**

Most of the inflow of Chinese travels to India are currently business travelers and this trend is picking up further, considering that the Chinese investments are on the rise in India, and many of these people after experiencing India first hand and if they found it safe and desirable want to travel back with family. This gives us the cue that the foremost aspect that India needs to seriously consider putting the efforts is to change the perception that has been formed over the year of India, in the minds of people.

Therefore, the foremost objective and goal, is to identify areas and ways to build a positive image of India and change the perception of how people think about India. India's perception is created by daily news about rapes, poverty, corruption constantly talked over on global newswires. A recent surge in practicing yoga by young Chinese, good success of handful of Bollywood movies has ignited an interest about India and hence India can ride on these to devise a strategy to bring in a positive change in perception about how Chinese view India as a tourist destination.

Considering that there are 26 National Level, TV Channels; 1110 Provincial/Local TV channels; 1974 new papers and magazine; reaching out to a larger diversified audience becomes both challenging and cost ineffective. However, it's important to use different strategies to provide social approaches that make a difference. Once that sparks conversations, engagement with customers leading to a positive image required. Social media strategy is the need of the hour and platforms WeChat and WeiBo can be used in a cost-effective way to create relevant, exciting, emotional and engaging stories. This can help to cut through the clutter to engage and keep India top of mind and to change the perception of India.

**Key action:** Develop an engaging Social Media Strategy for China in China.

**Transport Connectivity**

For Chinese tourists to visit India from key international gateway cities of China such as Beijing, Shanghai, Guangzhou flight is pretty much the only choice, but relatively to other destinations, Indian carriers offers only one direct flight. With India and China sharing a longer land border options should be considered to open

gateways at some of the land border area. China and India has numerous roads border crossings for tourism with their neighbors but not between themselves.
China has so far signed bilateral intergovernmental air transportation agreements with 125 countries and regions and India has such agreements with 115 countries. Both countries also have a good bilateral air transportation agreement between them and even offer a provision for flying beyond to a 3rd country for their airlines from their respective countries.

During the recent BRICS Nations summit in South Africa, BRICS Nations jointly signed a MOU on Regional Aviation Partnership between China, Brazil, Russia, India and South Africa. The MOU has identified the areas and ways of cooperation in the field of civil aviation for BRICS nations, and are looking to establish a cooperation mechanism. India's cabinet overwhelmingly ratified the MOU as there is potential to have greater trade, tourism and cultural exchanges investment amongst BRICS Nations.

If we look at the connectivity and seat capacity for last year from China to India (Direct Flights) we have few options. Presently 5 Chinese carriers operate 42 weekly services to 3 Indian cities from 5 cities in China and only 1 Indian carrier operates on Delhi-Shanghai Sector. Presently total capacity utilization by Chinese carriers is 100% compared to Indian carriers that stand at about 12%.

| Airline | From | To | Seat Capacity (2018/19) |
|---|---|---|---|
| Air India | Shanghai | Delhi | 66816 |
| China Eastern | Shanghai | Delhi | 100960 |
| China Eastern | Kunming | Kolkata | 59512 |
| China Southern | Guangzhou | Delhi | 167870 |
| Air China | Beijing | Delhi | 69230 |
| Air China | Beijing | Mumbai | 58093 |
| Shandong Airlines | Kunming | Delhi | 36192 |
| | | | 558673 |

Looking at the above data in terms of available seat capacity by all airlines, we need to develop road map to increase the seat capacity to a higher level if India needs to increase the Chinese travelers to the same levels of Indians traveling to China. Majority of the Chinese carriers are catering either to a third country travelers or Indian travelers to China and not much Chinese travelers to India. Increase in frequency by Indian carriers will help to promote India as more marketing funding and awareness will flow thru.

**Key Action:** Encourage more India based carriers to connect and grow Origin and Destination travel from China to India.

**Support Services, local presence in China, ease of getting India visa**
The Indian government launched e-visa in China that saw an increase in the number of Chinese travelers increase to 23% in 2016. This was very well received in the market. However, this is still well short of the potential. Considering that more that 90% of Chinese citizens are very active of social media and with the use of a social media strategy India could create more awareness of the ease of traveling to India.
Similarly, there are many such initiatives that government of India has put in place such as a call center where people can call and seek help. Such services needs to be made aware to people in China that can give them a comfort level to travel to India and their concerns on safety, security etc. could be addressed.
Embassy of India in Beijing, Consulate General of India in Shanghai, Guangzhou have been very proactive in promoting and building awareness in the absence India Tourist office but there is no collective strategy and focus with deliverable goals.

Thus, the role of India tourist office becomes very critical in this huge market. The tourist office could run initiatives with the travel trade, destination management companies and airlines to organize workshops, road shows in different cities regularly that can help in many ways to keep the India interest alive. Considering that

airlines play an important role in people movement, so by developing an inclusive strategy by engaging with all airlines who have presence in China and can support taking Chinese tourists to India should be given an equal opportunity in all marketing collaterals like what other countries do such as New Zealand, Australia, Malaysia, Singapore, Thailand etc.

Apart from airlines, travelers also look for safe, clean and affording places to stay. Most of the international hotel chains have their properties in India and China such as Marriott, Shangri-la, IHG, Hilton, Accor group and recently Indian Oyo Hotels has started operations in China. Working together with these hotel groups and other boutique hotel properties under different pricing/service categories also need to be promoted aggressively in China. Indian OTA platforms if able to develop targeted Chinese tourism products and itineraries can play an important role in growing tourism numbers from China to India.

To sum it up, there are different players in the tourism ecosystem's entire supply chain for India's In-bound tourism who needs to come together to promote and give world class service that will help to reach the targeted number of in-bound tourist from China.

**Key Action**: India Tourist Office or designated Chinese destination management companies to have an aggressive inclusive strategy in China travel market.

**What to see, what to do, digital support**

India is a very diverse country. Each of its 29 states has their own unique identity, culture and even language. There is so much to see and do in India. However, it's important to understand what a Chinese tourist like to do and their objectives and preferences to travel to India.

Executing researches and surveys to understand Chinese Tourist's needs to travel to India and then analyzing outcome of these researches will help to gauge the interest levels of different age groups in China which, could be used to develop targeted destinations for that interest group. India has a lot to offer – from its well known Buddhist circuit travel, adventure safaris, great romantic locations, palatial exquisite palaces to stay, world famous historical monuments to unique experiences of spiritual well being to yoga and meditation. It is important not to presume what the Chinese tourist would like based on what other country tourists in India like to do, but should be based on real data on what a Chinese traveler would like to see and do when visiting India.

Chinese tourists travel with smart communication devices and hence provision of data packages along with provision of benefits of mobile internet, navigation services and exploring local attractions, dining services and shopping becomes important area to support needs of Chinese tourists. Digital payment acceptance will also be a major boast for convenience for Chinese tourists in India.

**Key Action:** Identify areas and activities that are of interest to different segment of Chinese travelers and have the ground support and infrastructure ready to support

**Building Advocates**

It's a myth that if India can get some film star from India to talk about India, you have 000's of people traveling to India, however if we use local KOLs (key opinion leaders), bloggers, friends of India or people who can influence the wider readership on internet, such an approach might help in changing India's perception and help building a large India follower.

**Key Action:** Use key travel bloggers, writers, photographers who could be taken to India for a tour and they could then write positive about India's tourism, post videos and pictures and create VR products etc.

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