

The logo consists of the letters 'USA' in a bold, sans-serif font, where each letter is composed of a grid of small white dots on a dark background.

GoUSA.cn

Brand USA

# Market Information

CHINA

# 2020

## About This Guide

*Brand USA is pleased to present this guide in partnership with the U.S. Commercial Service and the National Travel and Tourism Office (NTTO). It includes snapshots of the economy in China along with information about travel from this region (booking channels, consumer trends, U.S. international inbound visitation data, and key travel motivators and indicators).*

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# Brand USA



## Who We Are

### Our Mission

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As the destination marketing organization for the United States, Brand USA's mission is to increase incremental international visitation, spend, and market share to fuel the nation's economy and enhance the image of the USA worldwide.

Established by the Travel Promotion Act of 2009 as the nation's first public-private partnership to spearhead a globally coordinated marketing effort to promote the United States as a premier travel destination and to communicate U.S. visa and entry policies, Brand USA began operations in May 2011.

### Building on Success

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As one of the best levers for driving economic growth, international travel to the United States currently supports 1.8 million American jobs (directly and indirectly) and benefits virtually every sector of the U.S. economy. Since its founding, Brand USA has worked with more than 900 contributing organizations to invite the world to explore the exceptional, diverse, and virtually limitless travel experiences and destinations available in the United States of America.



## Our Partnerships

Brand USA's operations are supported by a combination of non-federal contributions from destinations, travel brands, and private-sector organizations plus matching funds collected by the U.S. government from international visitors who visit the United States under the Visa Waiver Program.

**According to studies by Oxford Economics, over the past seven years, Brand USA's marketing initiatives have helped welcome 7.5 million incremental visitors to the USA, benefiting the U.S. economy with nearly \$55 billion in total economic impact, and supporting more than 50,000 incremental jobs each year.**

## Learn More

For industry or partner information about Brand USA, please visit [TheBrandUSA.com](http://TheBrandUSA.com). For information about exceptional and unexpected travel experiences in the United States, please visit Brand USA's consumer website at [VisitTheUSA.com](http://VisitTheUSA.com).

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## A Message from Christopher L. Thompson



As the destination storytellers for the United States of America, Brand USA helps drive our nation's economy, create jobs, and bring the people of the world closer together. This guide is designed to assist you in generating business from the China outbound-travel sectors. And, while it includes data from our fiscal year 2019, it's important to acknowledge the unprecedented impact of COVID-19 in 2020.

The global pandemic has resulted in tremendous loss for many families and has had a devastating impact on the travel industry. All of this makes Brand USA's work even more critical. We are uniquely positioned to help guide the industry out of this crisis.

In 2019, China was the United States' number one overseas source market for spend and number five for visitation with nearly three million Chinese visitors spending \$33.5 billion. Brand USA remains committed to the China market and we will know a lot more about shifts in trends and potential long-term impacts to the travel industry following the COVID-19 pandemic once international flights resume and people begin to travel again.

In October 2019, Brand USA joined the Ministry of Culture and Tourism of the People's Republic of China, in Seattle, Washington, to host the 13th annual U.S. – China Tourism Leadership Summit. The discussions that have taken place at and around this summit over the 13 years, have made a positive impact in both countries, including contributions to the economy, the balance of trade, and better cultural understanding.

We have several China-specific consumer marketing campaigns, robust travel trade outreach programs, cooperative marketing, a digital and social presence across established and emerging Chinese channels and a dedicated Chinese website GoUSA.cn. And, Brand USA has established representation offices in Beijing, Chengdu, Guangzhou, and Shanghai, to assist in reaching the travel trade and travel media and we work closely with



the United States embassy and consulates to ensure we can provide timely and factual information to the industry.

Our forward-thinking marketing approaches allow us to capture the attention of global audiences in new, more compelling ways which ensure the United States stays top-of-mind as an aspirational travel destination. Brand USA uses many voices to showcase the diverse people and places across the United States in a way that inspires and encourages wanderlust. In FY2019, Brand USA launched the *United Stories* campaign giving voices to real travel experiences from a variety of perspectives including locals, international visitors, category experts and the creative class. We continued to stream content through the GoUSA TV streaming and YouTube channels, which offer a variety of short, medium, and long-form content about a diversity of travel experiences.

As you consider resources, please know Brand USA has a dedicated travel-trade website which provides a more effective and efficient platform for industry professionals to navigate information about U.S. travel. In addition, please don't hesitate to reach out to our team about U.S. destinations, the opportunities we offer to enhance your marketing efforts, and the most effective ways to inspire travelers to book trips to the USA.

We look forward to working with you in the months ahead to generate business to the United States from China.

Together, we are marketing the USA!

**Christopher L. Thompson**

President & CEO

Brand USA

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## Brand USA Executive & Senior Leadership

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# Market Facts



## Geography

China is the world's fourth-largest country (after Russia, Canada, and the United States), and the largest country situated entirely in Asia. Mount Everest, on the border with Nepal, is the world's tallest peak.

### Area

9,596,960 km<sup>2</sup>

### Climate

China has an extremely diverse climate, ranging from tropical in the south to subarctic in the north.

## Largest Metropolitan Areas



Photos: Temple of Heaven, Beijing (left); Guangzhou (right)

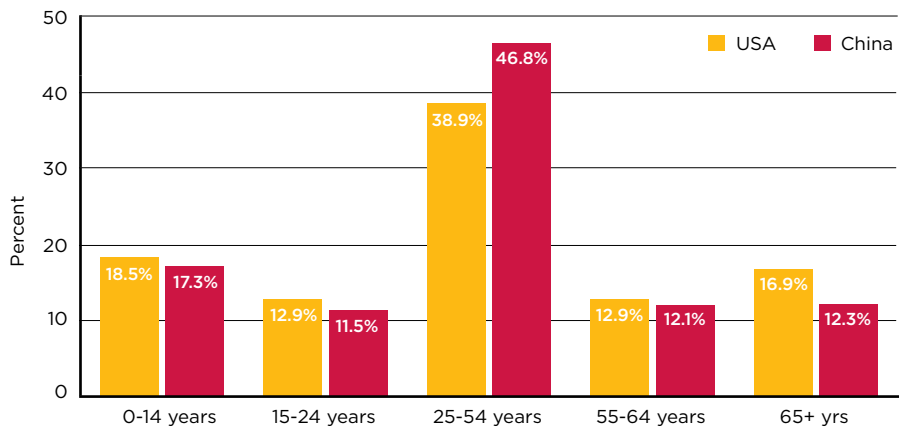
Source: CIA World Factbook 2020, Chengdu Bureau of Statistics 2019

# Demographics

## Population

	China	USA
Population Size	1,394,015,977	332,639,102
World Rank	1	3
Median Age	38.4 years	38.5 years
Population Growth Rate (2020 est.)	0.32%	0.78%

## Population by Age



## Economy

- **GDP:** \$25.36 trillion (2018 est.)
- **GDP Real Growth Rate:** 6.9% (2018 est.)
- **GDP—Per Capita:** \$18,200 (2018 est.)
- **Unemployment Rate:** 3.9% (2018 est.)
- **Inflation Rate:** 1.6% (2018 est.)

Source: CIA World Factbook 2020



# Vacation Allocation

China has seven legal public holidays in a year.

## National Public Holidays 2020

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- **New Year's Day:** January 1
- **Chinese New Year:** First three days of the lunar year, January 24–30
- **Tomb Sweeping Day:** April 4–6
- **Labor Day:** May 1–5
- **Dragon Boat Festival:** The fifth day of the fifth lunar month, June 25–27
- **Moon Festival:** The 15<sup>th</sup> day of the eighth lunar month, October 1
- **National Day:** October 1–8

## Primary Travel Periods

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China has two “Golden Weeks”—Chinese New Year Week and National Day Week. Both of these public holidays are three-day occasions.

However, by adding weekends to them, the Chinese turn them into week-long, active celebrations. Each week becomes an economic bonanza, which is why they are known as “Golden Weeks.”

## Public School Holidays 2020

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In addition to the above list of public holidays, as well as summer and winter breaks, students also have these days off:

- **Women's Day:** March 8 (employers provide women half-day holidays)
- **Children's Day:** June 1

# Travel Trends

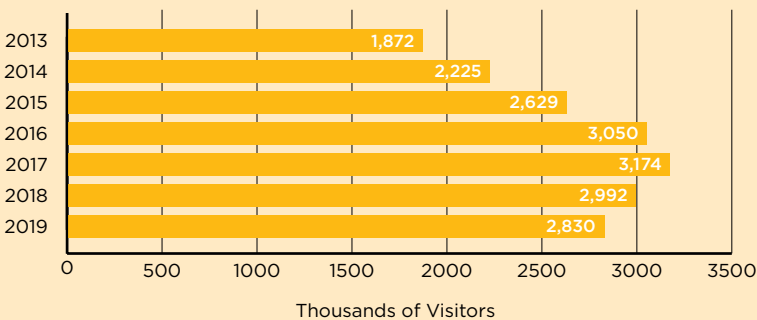


## International Travel Trends

### Spending Trends: Exports (Millions of U.S. Dollars)

	2013	2014	2015	2016	2017	2018	2019
<b>Total Travel &amp; Tourism Exports</b>	\$21,624	\$26,398	\$30,711	\$33,939	\$35,369	\$34,575	\$33,533
<b>Travel Receipts</b>	\$19,244	\$23,717	\$28,102	\$31,478	\$32,828	\$32,068	\$31,069
<b>Passenger Fare Receipts</b>	\$2,380	\$2,681	\$2,609	\$2,461	\$2,541	\$2,507	\$2,464
<b>Change (%) in Total Exports</b>	<b>19</b>	<b>22</b>	<b>16</b>	<b>11</b>	<b>4</b>	<b>-2</b>	<b>-3</b>

### Visitation Trends: Arrivals



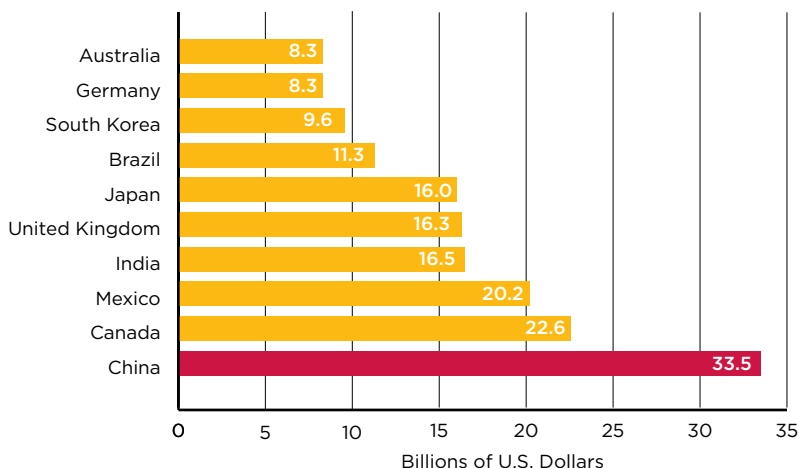
Photos: The Leshan Giant Buddha, Sichuan (left), Shanghai (right)

Source: U.S. Department of Commerce, National Travel and Tourism Office



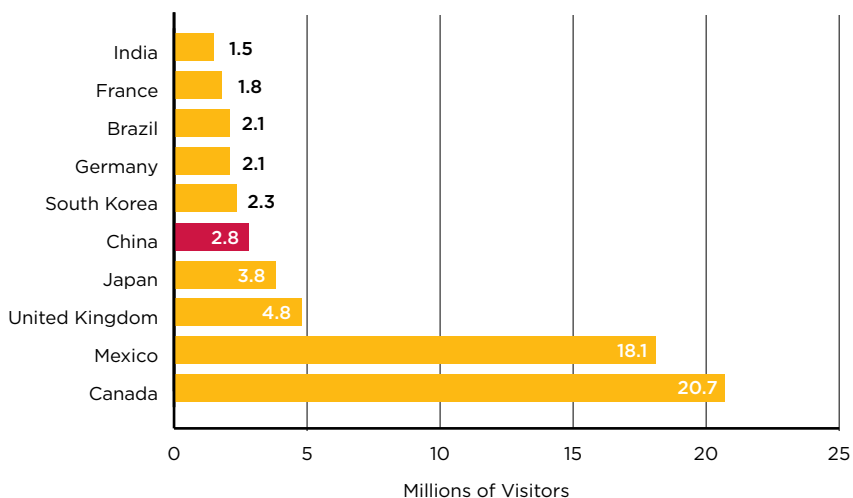
# Inbound Travel Trends

## Visitor Spending



## International Arrivals to the USA

Top 10 Countries Generating Travel to the United States (Long-Haul Arrivals)



Source: U.S. Department of Commerce, National Travel and Tourism Office

# Traveler Characteristics

## Main Purpose of Trip

Main Purpose of Trip	2018 (%)	2019 (%)
Vacation/Holiday	32.5	34.4
Visit Friends/Relatives	21.6	23.8
Education	18.2	19.9
Business	14.5	13.3
Convention/Conference/Trade Show	11.7	7.1
Health Treatment	0.6	0.6
Religion/Pilgrimages	0.4	0.3
Other	0.5	0.7

## All Purposes of Trip

All Purposes of Trip	2018 (%)	2019 (%)
Vacation/Holiday	42.9	45.2
Visit Friends/Relatives	30.1	33.3
Education	20.4	21.7
Business	19.2	17.8
Convention/Conference/Trade Show	14.7	10.3
Health Treatment	1.2	1.2
Religion/Pilgrimages	0.7	0.5
Other	0.7	0.7

### NET PURPOSES OF TRIP

Leisure & Visit Friends/Relatives	61.8	65.3
Business & Convention	29.2	24.7

Source: U.S. Department of Commerce, National Travel and Tourism Office



## Select Traveler Characteristics

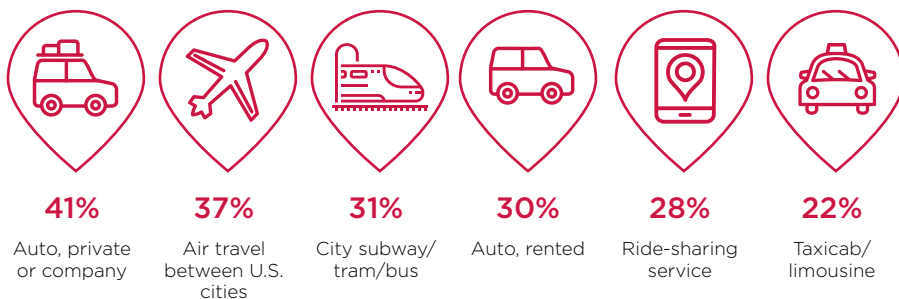
Traveler Characteristics	2018	2019
Length of Stay in USA (Mean Nights)	40.5	40.2
Length of Stay in USA (Median Nights)	12	14
First International Trip to the USA	33%	33%

## U.S. Destinations Visited (States, Cities, and Regions)

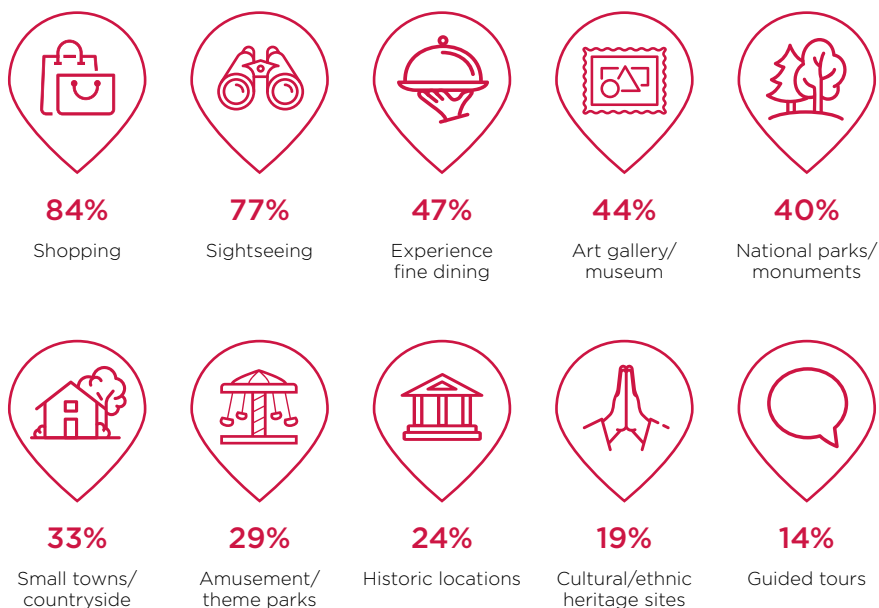
U.S. Destinations/ Regions	2018 (%)	2019 (%)
<b>REGIONS</b>		
East North Central	11.53	10.37
Middle Atlantic	29.28	29.78
Mountain	14.90	13.52
New England	10.85	10.83
Pacific	42.37	41.96
Pacific Islands	6.54	5.87
South Atlantic	17.67	17.91
West South Central	5.37	5.47
<b>STATES/TERRITORIES</b>		
California	38.10	36.47
Massachusetts	9.08	9.37
Nevada	10.84	8.13
New York	25.88	25.80
Washington	5.71	7.29
Washington, DC	7.60	6.96
<b>CITIES</b>		
Boston	8.83	8.67
Las Vegas	10.29	8.02
Los Angeles	23.39	22.58
New York City	24.52	23.78
San Francisco	14.12	14.50
Seattle	5.34	7.13

Source: U.S. Department of Commerce, National Travel and Tourism Office

## Transportation Used in the USA



## Activity Participation While in the USA



Source: U.S. Department of Commerce, National Travel and Tourism Office



# Air Travel Information



## Non-Stop Flights from China to the USA

Airline	Flights From	Flights To	Frequency (week)
Air China	Beijing	Houston	6
<i>Air China</i>	<i>Beijing</i>	<i>Los Angeles</i>	<i>2</i>
<i>Air China</i>	<i>Beijing</i>	<i>Los Angeles</i>	<i>1</i>
Air China	Beijing	New York (JFK)	14
Air China	Beijing	Newark (EWR)	7 (daily)
Air China	Beijing	San Francisco	10
Air China	Beijing	Washington, DC	7 (daily)
Air China	Shenzhen	Los Angeles	3
Air China	Wuhan	New York (JFK)	3
<i>American Airlines</i>	<i>Beijing</i>	<i>Chicago</i>	<i>Suspended until Oct. 23</i>
<i>American Airlines</i>	<i>Beijing</i>	<i>Dallas</i>	<i>7 (suspended until Oct. 23)</i>
American Airlines	Beijing	Los Angeles	7 (daily)
<i>American Airlines</i>	<i>Shanghai</i>	<i>Dallas</i>	<i>7 (suspended until Oct. 23)</i>
<i>American Airlines</i>	<i>Shanghai</i>	<i>Los Angeles</i>	<i>7 (suspended until Oct. 23)</i>
China Eastern	Beijing	Saipan	3
China Eastern	Chengdu-Nanjing	Los Angeles	3
China Eastern	Fuzhou	New York (JFK)	7 (daily)
<i>China Eastern</i>	<i>Fuzhou-Shanghai</i>	<i>New York (JFK)</i>	<i>2</i>
China Eastern	Kunming-Qingdao	San Francisco	3
China Eastern	Shanghai	Chicago	5

*Flights affected by COVID-19, as of July 2020*

*Photos: Yangtze River, Chongqing (left); Beijing (right)*

Airline	Flights From	Flights To	Frequency (week)
China Eastern	Shanghai	Los Angeles	14
China Eastern	Shanghai	New York (JFK)	14
<i>China Eastern</i>	<i>Shanghai</i>	<i>New York (JFK)</i>	<i>1</i>
China Eastern	Shanghai	Saipan	3
China Eastern	Shanghai	San Francisco	7 (daily)
China Southern	Guangzhou	Los Angeles	7 (daily)
China Southern	Guangzhou	Los Angeles	3
<i>China Southern</i>	<i>Guangzhou</i>	<i>Los Angeles</i>	<i>2</i>
<i>China Southern</i>	<i>Guangzhou</i>	<i>Los Angeles</i>	<i>1</i>
China Southern	Guangzhou	New York (JFK)	10
China Southern	Guangzhou	San Francisco	4
China Southern	Guangzhou-Wuhan	San Francisco	3
China Southern	Shenyang	Los Angeles	3
<i>Delta Airlines</i>	<i>Beijing</i>	<i>Detroit</i>	<i>7 (suspended until May 31)</i>
<i>Delta Airlines</i>	<i>Beijing</i>	<i>Seattle</i>	<i>7 (suspended until May 31)</i>
<i>Delta Airlines</i>	<i>Shanghai</i>	<i>Atlanta</i>	<i>6 (suspended until May 31)</i>
<i>Delta Airlines</i>	<i>Shanghai</i>	<i>Detroit</i>	<i>7 (suspended until May 31)</i>
<i>Delta Airlines</i>	<i>Shanghai</i>	<i>Detroit</i>	<i>1</i>
<i>Delta Airlines</i>	<i>Shanghai</i>	<i>Los Angeles</i>	<i>7 (suspended until May 31)</i>
<i>Delta Airlines</i>	<i>Shanghai</i>	<i>Seattle</i>	<i>7 (suspended until May 31)</i>
<i>Delta Airlines</i>	<i>Shanghai</i>	<i>Seattle</i>	<i>1</i>
<i>Hainan Airlines</i>	<i>Beijing</i>	<i>Boston</i>	<i>7 (suspended until May 31)</i>
<i>Hainan Airlines</i>	<i>Beijing</i>	<i>Chicago</i>	<i>4 (suspended until May 31)</i>
<i>Hainan Airlines</i>	<i>Beijing</i>	<i>Las Vegas</i>	<i>3 (suspended until further notice)</i>
<i>Hainan Airlines</i>	<i>Beijing</i>	<i>San Jose</i>	<i>5 (suspended until further notice)</i>
<i>Hainan Airlines</i>	<i>Beijing</i>	<i>Seattle</i>	<i>7 (suspended until May 31)</i>
<i>Hainan Airlines</i>	<i>Changsha</i>	<i>Los Angeles</i>	<i>2 (suspended until further notice)</i>
<i>Hainan Airlines</i>	<i>Chengdu</i>	<i>Chicago</i>	<i>2 (suspended until further notice)</i>

Source: Brand USA Proprietary Research



Airline	Flights From	Flights To	Frequency (week)
Hainan Airlines	Chengdu	Los Angeles	3 (suspended until further notice)
Hainan Airlines	Chengdu	New York (JFK)	3 (suspended until further notice)
Hainan Airlines	Chongqing	Los Angeles	2 (suspended until further notice)
Hainan Airlines	Chongqing	New York (JFK)	2 (suspended until further notice)
Hainan Airlines	Shanghai	Boston	4 (suspended until further notice)
Hainan Airlines	Shanghai	Seattle	3 (suspended until further notice)
Hainan Airlines	Xian	Los Angeles	2 (suspended until further notice)
Sichuan Airlines	Chengdu	Los Angeles	3
Sichuan Airlines	Chengdu	Los Angeles	3
Sichuan Airlines	Guangzhou	Saipan	2
Sichuan Airlines	Shanghai	Saipan	4
United Airlines	Beijing	Chicago	7 (suspended until Apr. 30)
United Airlines	Beijing	Newark (EWR)	7 (suspended until Apr. 30)
United Airlines	Beijing	San Francisco	7 (suspended until Apr. 30)
United Airlines	Beijing	Washington, DC	7 (suspended until Apr. 30)
United Airlines	Chengdu	San Francisco	3 (suspended until Apr. 30)
United Airlines	Shanghai	Chicago	7 (suspended until Apr. 30)
United Airlines	Shanghai	Los Angeles	7 (suspended until Apr. 30)
United Airlines	Shanghai	New York (EWR)	7 (suspended until Apr. 30)
United Airlines	Shanghai	San Francisco	14 (suspended until Apr. 30)
United Airlines	Shanghai	San Francisco	2
Xiamen Airlines	Fuzhou	New York (JFK)	3
Xiamen Airlines	Xiamen	Los Angeles	2
Xiamen Airlines	Xiamen	Los Angeles	1
Xiamen Airlines	Xiamen-Qingdao	Los Angeles	3

Flights affected by COVID-19, as of July 2020

# Market Snapshot



## Economy

### China's Fiscal Revenue Drops

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China's fiscal revenue dived 9.9 percent year-over-year to CNY3.52 trillion (USD496.2 billion) in the first two months of 2020. Although the novel coronavirus (COVID-19) outbreak has thrown relatively big shocks to economic activities in the period, its impacts are believed to be short-lived and controllable.

The first quarter typically accounts for a small share of annual gross domestic product because the Spring Festival holiday falls between January and February and in colder weather. While the pandemic put a damper on industries like tourism, automobile, and entertainment, there is likely to be a rebound once the outbreak ends and pent-up consumer demand is unleashed.

### Foreign Trade Momentum Remains Solid

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With strong competitiveness, a stable industry chain, and rapid development of new business formats, China's foreign trade sector is expected to maintain a sound growth momentum in the long term. China has rolled out a string of policies to stabilize industrial growth, and investment from countries in the Belt and Road Initiative has seen continued growth despite the COVID-19 pandemic.

*Photos: Shenzhen (left); Jade Spring Park, Black Dragon Pool, Lijiang (right)*



## Yuan Stable Despite External Fluctuations

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As the dollar index, which measures the greenback against six major peers, surged 6.8 percent between March 10–19, the yuan only weakened 2 percent against the U.S. dollar. Against a basket of other currencies, the yuan strengthened by 2.7 percent.

Developments in the real economy backed by epidemic control initiatives, expanding interest margins between China and other major economies, and continued improvement in the yuan's exchange rate mechanism were expected to support the currency's stability.

## Outbound Travel Market

### Virus Hits to Canada

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According to Statistics Canada, there were 571,000 tourist arrivals from China in 2019. However, international tourism arrivals could fall by 20–30 percent in 2020.

“In the past, in any one of our markets, when exceptional circumstances have occurred, we have taken similar actions to ensure our tourism marketing efforts are impactful,” said Tess Messmer, a spokeswoman for Destination Canada, a Crown corporation focused on marketing Canada abroad. The corporation states that China remains an important market, and it will still work with online travel agencies and travel media there. During this time, it is integral that the tourism industry comes together to support one another.

## Chinese Tourism in Other Countries

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### Australia

On the part of Australia, with China as its largest source of international travelers, the uncertainty resulting from the virus could mean Australia's tourism sector—which grows much faster than its national economy—could be losing steam, analysts said.

In September 2019, international travelers from the Chinese mainland went up 1.2 percent year-over-year to 1.3 million, while their expenditure rose by 6.8 percent to AUS12.3 billion (USD8.28 billion). That represents nearly 15 percent of all international visitors to Australia during the period and over 27 percent of all spending by foreign travelers.

In a worst-case scenario, this could mean hefty losses to Australia's tourism sector, which clocked 7 percent growth in the financial year 2017-18 versus the nation's real GDP growth of 2.9 percent. Australia might see tourism, a fast-growing part of its economy, lose steam as China, the top inbound tourism source for Australia, is expected to experience a pause in travel activity due to the outbreak of COVID-19.

## Europe and the United Kingdom

The COVID-19 outbreak is posing extraordinary difficulties for the European inbound tourism industry. "Chinese tourists are not coming to Europe since January. It means two million (hotel) nights lost. That is EUR1 billion per month since January," said Thierry Breton, the European Union (EU) industry chief.

**"Chinese tourists are not coming to Europe since January. It means two million (hotel) nights lost. That is EUR1 billion per month since January," said Thierry Breton, the European Union (EU) industry chief.**

In Europe, over 10 million jobs are at risk with possible losses of EUR552 billion, with Germany being the most affected country followed by Russia, Italy, and the United Kingdom. With the demand for international trips seeing a downward trend, the European tourism industry, during Easter and summer holidays, could continue to be affected.

In December 2019, the number of overseas visits to Britain was forecast to rise in 2020 to a record high of 39.7 million, up 2.9 percent

from the 38.5 million visits projected in 2019. "We are seeing success in growing tourism from our long-haul, high-spending markets including the USA, our largest and most valuable inbound market, and from markets that are crucial for our future such as China," said VisitBritain Director Patricia Yates.

Sources: Tourism Research Australia (TRA); European Tourism Association (ETOA)



The influence of COVID-19 on Germany has been particularly evident in the decline of Chinese tourists. Overnight stays of tourists from China could fall by 17-25 percent respectively. As Chinese visitors spend around EUR8 billion (USD8.7 billion) a year, the losses are likely to have a severe impact on tourism in Germany.

In 2020, it is estimated that the international tourism spending in Italy will decrease significantly due to the impact of COVID-19 on the country's tourist sector. As much as 13 percent of the Italian gross domestic product (GDP) is derived from tourism. Italy attracts more than 3.5 million Chinese tourists each year. Overall, it is forecasted that the international tourist expenditure in Italy will register a decrease of EUR7.66 billion in 2020.

## Asia

At the beginning of 2020, the tourism industry across the Asia Pacific region experienced the consequences of the unexpected outbreak of COVID-19.

Indonesia experienced a decrease of 13.5 percent in terms of its tourist arrivals. The likes of China, Vietnam, and Thailand all demonstrated dramatic tourist arrival decreases. It was predicted that the economies within the Asia Pacific region could suffer an astronomical USD211 billion worth of losses due to the outbreak. Although there have been previous outbreaks of infection that have disrupted the tourism industry in Asia Pacific, none have been quite as severe as COVID-19. This is likely due to the fact that previous Asia Pacific tourism industries were not as reliant on Chinese tourism as they have been in recent years.

The number of foreign visitors to Japan plunged 58.3 percent in February, the largest year-over-year drop for any month in nearly nine years, dented by travel restrictions to prevent the spread of COVID-19. Japan Tourism Agency data indicated tourists from China dropped 87.9 percent from a year earlier to 87,200 in February. An estimated 1.09 million foreigners visited Japan last month, down from 2.60 million a year earlier after China banned all outbound group travel in late January.

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## Competitive Environment

### Chinese Expect to Resume Thai Travel in April 2020

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Chinese tourists expect to revive their Thailand travel plans in April as COVID-19 subsides, while Thai tourism officials aim to adopt safety and health measures to help operators upgrade their ability to deal with the pandemic. Outbound tour operators in China have informed partners in Thailand where two provinces, Zhejiang and Jiangsu, have lifted travel restrictions, but their citizens are likely to travel within home provinces first.

### Philippines Lifts China Travel Ban

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The Philippines lifted the travel ban to mainland China except for Hubei province, epicenter of the COVID-19 outbreak. The archipelagic nation's Department of Foreign Affairs (DFA) said lifting of the ban was adopted in a March 12, 2020 resolution of the Task Force for the Management of Emerging Diseases (IATF).

## Consumer Trends

### China's Economy Gains Steam

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A majority of Chinese consumers have a positive attitude and welcome their colorful home life amid COVID-19 restrictions. They shop online and work and study at home, while staying healthy and leveraging technology.

Once the pandemic is over, 89 percent said they would be more willing to buy daily necessities and fresh products online. In other findings about post-virus habits, 80 percent would pay more attention to healthy eating, 75 percent would spend more time on sports and fitness, and 60 percent would increase spending on regular medical examinations. A vast majority, 92 percent, said their confidence in overcoming the virus came from the government's preventive and control measures and its timely disclosure of information.





## Luxury Retailers Suffer from Travel Bans

Luxury stores around the world are losing their most valued customers—Chinese tourists—due to border closures and travel restrictions. In the USA, Chinese tourists spend an average of USD6,700 per trip, exceeding the average international visitor spend by 50 percent. It is anticipated that there will be a critical reduction in Chinese visitation in the coming months, resulting in diminishing sales everywhere.

## Travel Trends

### Survey 1: Chinese Expect Tourism Recovery After June

More than 70 percent of Chinese consumers expect the tourism sector to recover after June, while 20 percent are more optimistic in predicting a May revival. The expectations come from data in a newly released tourism consumer confidence. The composite tourism consumer confidence index stood at 41.3, with the reading for the current situation sitting at the bottom on 13.8. The index for future expectations is 63.4, indicating a medium to low level.

Outbound tourism is likely to resume gradually in the second half of the year, but the recovery of inbound tourism may take longer.

### Travel Plans After COVID-19



**43.5%**

Suburban outing



**30%**

No travel plans



**20%**

Distant tours



**6.9%**

Overseas tours

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## Survey 2: Tourism Rebound Expected in May

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A survey revealed that 43 percent of interviewees said they would travel in the first half of this year if COVID-19 was totally under control. A slim majority (16 percent) would travel in May, followed by June, July, and August (15 percent each).

**The coronavirus could cut USD820 billion from spending on corporate travel this year.**

Safety measures adopted by travel operators would be the biggest impetus (20 percent), followed by holiday arrangements (19 percent), and discounts on tour prices (18 percent).

Over 90 percent said they would choose domestic tours, with short and medium distances the most favored (43 percent); 44 percent would choose independent travel. The survey covered nearly 15,000 people from over 100 cities; over 85 percent were between 18 and 45 years old.

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## Virus Effect on Corporate Travel Sector

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The coronavirus could cut USD820 billion from spending on corporate travel this year. China would account for nearly half of the losses, as corporations curb travel plans. At least three out of every four companies reported that they had canceled or suspended all or most business trips.

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## Popularity of Intra-regional Travel

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Japan and Vietnam remain the most popular choices for outbound Chinese travelers. The number and affordability of flights, as well as visa-friendly policies, have furthered the trend.

Upon arrival, Chinese tourists are visiting cultural sites at unprecedented levels everywhere. In 2019, there was a 150 percent increase in museum related searches. The top five were Louvre Museum, Palace Museum, British Museum, Shaanxi History Museum, and Metropolitan Museum of Art.

*Sources: China Tourism News 2020; Chinese Academy of Social Sciences and Alibaba Group 2020; China Tourism; Academy and Trip.com 2020; Global Business Travel Association 2020; Qyer Travel Report 2019*



## In-Market DMO Activities

### DMOs Promote Cultural Travel

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U.S. DMOs are promoting culture-focused road trips. The self-driving tour has been a growing trend for Chinese FITs, the world's highest spending tourists, with 44 percent of Chinese travelers under 25 and 27 percent of travelers over 60 preferring self-guided travel. By providing inspiration and details on destinations across WeChat and Weibo, DMOs aid the planning process for Chinese travelers.

In addition, booking car rentals online has become easier through agreements between Chinese tourism companies and U.S. car rental companies. While Chinese travel to the USA is currently on hold, forward planning gives potential tourists a range of attractive and customizable options once they start browsing again.

### China to Canada Bookings Drop

---

Canada's tourism industry is bracing for the impact of COVID-19 on the number of foreign visitors this summer travel season. Bookings from China to British Columbia are down by about 70 percent from March–October. Canadian tourism marketing agencies have pulled all their ad money from China and are using it to double down on efforts to attract people from other markets like the USA and UK.

### Nepal Postpones Tourism Promotion

---

The Nepali government has deferred international tourism promotion activities planned for Visit Nepal Year 2020 due to COVID-19. It is a major setback for the campaign, under which the Himalayan country targeted to attract two million foreign tourists, almost doubling the arrivals in 2019 of 1.19 million visitors.

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# Travel Industry News

## Coronavirus' Impact on Chinese Travel Industry

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A report was released on the short- and medium-term impacts of the COVID-19 crisis on China's travel industry. Based on survey results, the report looks at what changes the crisis is likely to catalyze within the industry, which areas are hardest hit, and what travel industry professionals in China think about recovery prospects.

## China's Tourist Sites Draw Virtual Crowds

---

Virtual tours, though not an original concept, have gained a new foothold in China's domestic tourism industry as millions of people postponed travel plans due to COVID-19.

Authorities have closed tourist sites nationwide, including landmarks like the Palace Museum in Beijing and sections of the Great Wall, to avoid large crowds and stop the virus from spreading. Instead, they've encouraged museums to make use of "digital resources."

## Forecast Shows Silver Lining in China Luxury Market

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Even though the ongoing COVID-19 crisis has temporarily stopped the business of luxury in Greater China, executives from various Western luxury brands are positive and confident about restoring growth momentum in the near future. As the outbreak reaches a global tipping point, rebuilding connections with consumers shouldn't be a question of when, but how.

**Virtual tours have gained a new foothold in China's domestic tourism industry.**



# Media & Digital Trends

## Digital Fuels Cultural and Tourism Industries

---

China's cultural and tourism industries have turned to digital delivery to deflect the blow of COVID-19. They are adapting quickly and boosting business with the likes of virtual tours. Online music, livestreaming, cloud exhibitions, smart tourism, and others based on 5G and artificial intelligence have been growing.

## Mobile Payments Surge in Q4 2019

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There was robust growth in China's mobile payments market in the fourth quarter of 2019, central bank data showed. Banks processed 30.73 billion mobile transactions in the period, up 73.56 percent year-over-year.

## Riding the Douyin and TikTok Wave

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The Douyin Challenge feature is a great way for cultural destinations to generate positive word-of-mouth recommendations via user-generated content. Providing a hashtag essentially gamifies the post for users to compete to see who can get the most post views.

Where TikTok campaigns connect solely to internal hashtags, Douyin hashtags cross over to other platforms such as Weibo, thereby greatly expanding the potential reach of trends.

# Brand USA Resources



## Online Channels

### Digital Marketing/Social Media

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The majority of the USA Campaigns are driven by digital marketing strategies to engage, inspire, and prompt international travelers to visit the United States. A variety of channels and methods are used, including:

- Proprietary website platforms
- Social media channels
- Global digital marketing and social campaigns
- Rich media
- Targeted advertising

### Proprietary Consumer Website Platforms

---

Brand USA has two online consumer identities in the marketplace:

- VisitTheUSA (VisitTheUSA.com), which includes a global site in English plus in-language sites in most markets where Brand USA markets the United States to international travelers
- GoUSA, which is active in Asian markets, including China and Hong Kong (GoUSA.cn), Taiwan (GoUSA.tw), India (GoUSA.in), Japan (GoUSA.jp), and South Korea (GoUSA.or.kr)

Together, the VisitTheUSA and GoUSA website platforms are the consumer-facing online identities international travelers associate with travel to the United States.

*Photos: Li River, Guilin (left); Shanghai (right)*



## Social Media Channels

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In addition to the global and in-market VisitTheUSA and GoUSA proprietary websites, Brand USA leverages related social media accounts in consumer-facing content and communications. Each market where Brand USA has a fully developed marketing presence has a dedicated, in-language website and social channels, which Brand USA uses to reach consumers in its target markets.

The following handles are used for global, consumer-facing promotions in English:





















- **Website:** VisitTheUSA.com
- **Twitter:** @VisitTheUSA
- **Facebook:**  
Facebook.com/VisitTheUSA
- **YouTube:**  
YouTube.com/VisitTheUSA
- **Instagram:** VisitTheUSA

The following campaign hashtags support global and thematic promotions and initiatives:

- **Global:** #VisitTheUSA
- **Great Outdoors:** #OutdoorsUSA
- **Flavors/Culinary:** #TasteUSA
- **Market the Welcome:**  
#USAWelcome
- **Road Trips:** #RoadTripUSA

In addition to leveraging these global channels, Brand USA currently has localized social media efforts in the following markets via the channels shown in the Digital Channels chart on the following page.

## Digital Channels

Market	URL	Local Tagline	Channels	Hashtag	
Australia	VisitTheUSA.com.au	Plan Your USA Trip Now	 @VisitTheUSA  @VisitTheUSA	 facebook.com/VisitTheUSAau  YouTube.com/VisitTheUSA #VisitTheUSA	
Brazil	VisiteosUSA.com.br	Planeje Sua Viagem Aos USA Agora Mesmo	 @VisiteOsUSA  @VisitTheUSA	 facebook.com/VisiteOsUSA  YouTube.com/VisiteOsUSA #VisiteOsUSA	
Canada: English	VisitTheUSA.ca	Plan Your USA Trip Now	 @VisitTheUSAcA  @VisitTheUSA	 facebook.com/VisitTheUSAcA  YouTube.com/VisitTheUSA #VisitTheUSA	
Canada: French	frVisitTheUSA.ca	Planifiez Votre Voyage Aux USA Dès Maintenant	 @VisitTheUSAcA  @VisitTheUSA	 facebook.com/VisitTheUSAcA  YouTube.com/VisitTheUSAFr #VisitTheUSA	
Chile	VisitTheUSA.cl	Planifica tu viaje a USA ahora	 @VisitTheUSAEs  @VisitTheUSA	 facebook.com/VisitTheUSACl  YouTube.com/VisitTheUSAEs #VisitTheUSA	
China	GoUSA.cn	即刻 定制 您的 USA 旅行 计划	<p><b>Sina Weibo</b> (Chinese microblogging site/hybrid of Twitter and Facebook): <a href="http://weibo.com/GoUSAcn">http://weibo.com/GoUSAcn</a></p> <p><b>Tencent Weibo</b> (Chinese microblogging site): <a href="http://t.qq.com/DiscoverGoUSA">http://t.qq.com/DiscoverGoUSA</a></p> <p><b>YOUKU</b> (YouTube equivalent): <a href="http://i.youku.com/gousacn">http://i.youku.com/gousacn</a></p> <p><b>Weishi</b> (Vine equivalent): <a href="http://www.weishi.com/u/23484775">http://www.weishi.com/u/23484775</a></p> <p><b>Wechat</b> (Chinese mobile social network for texting, images, music and articles sharing, mobile only):</p> <p><b>美国国家旅游局</b></p> <p><b>Lofter</b> (Photo sharing platform): <a href="http://GoUSA.lofter.com">http://GoUSA.lofter.com</a></p>  <		

**GoUSA.tv** Available on Roku, Apple TV, Amazon Fire, iOS, and Android. Also accesible via GoUSATV.com and YouTube.





## Brand USA Traveler Research

In the summer of 2013, Brand USA launched its Global Market Intelligence program. As part of this program, Brand USA commissioned PhoCus Wright, Inc. to conduct proprietary consumer research in various international markets. Respondents were recruited from an online panel. For markets beyond North America, the results reflect responses from adults who travel outside of their continent for leisure. The Global Market Intelligence program is designed to gain insight into travelers' perceptions of the USA and its competitors, as well as general travel behaviors and preferences.

### Top Five Motivations for Selecting Last Intercontinental Destination

*Question: What motivates your desire to visit that destination? Select all that apply (N=1050).*

*Base: China intercontinental travelers.*



**69%**

Cultural/  
historical  
attractions



**65%**

Ecotourism/  
nature



**62%**

Urban attractions



**58%**

Dining/  
gastronomy



**56%**

Beaches/seaside  
attractions

### Top Five Strongest Impressions of the USA

*For each of the following countries, select which characteristics, if any, describe it as a holiday destination. Select all that apply (N=1050). Base: China intercontinental travelers.*

**55%**

Diverse

**45%**

Open-minded

**45%**

Energetic

**35%**

Creative

**29%**

Adventurous

# Top Five Channels Used in Destination Selection for Last Intercontinental Trip

Question: What sources of information did/will you use to select the destination for this holiday?  
Select all that apply. Base: China intercontinental travelers (N=1050).



60%

Websites  
via computer



57%

Websites/  
applications  
via mobile phone



52%

Personal  
recommendations  
from family and  
friends



43%

Personal advice  
from travel  
professionals/  
travel agents

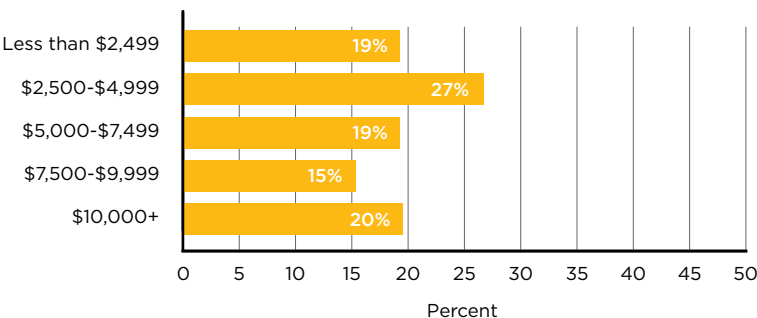


37%

Websites/  
applications  
via tablet

# Expected Household Travel Spend for Next Intercontinental Trip

Question: What is the total amount you expect your household to spend on each of the following elements of this holiday? Enter a whole number without the currency symbol. Airline tickets/Lodging/ Additional trip-related expenses, such as dining, local transportation, souvenirs and local tours.  
Base: China intercontinental travelers (N=1050). (Conversion CNY to USD=0.15).

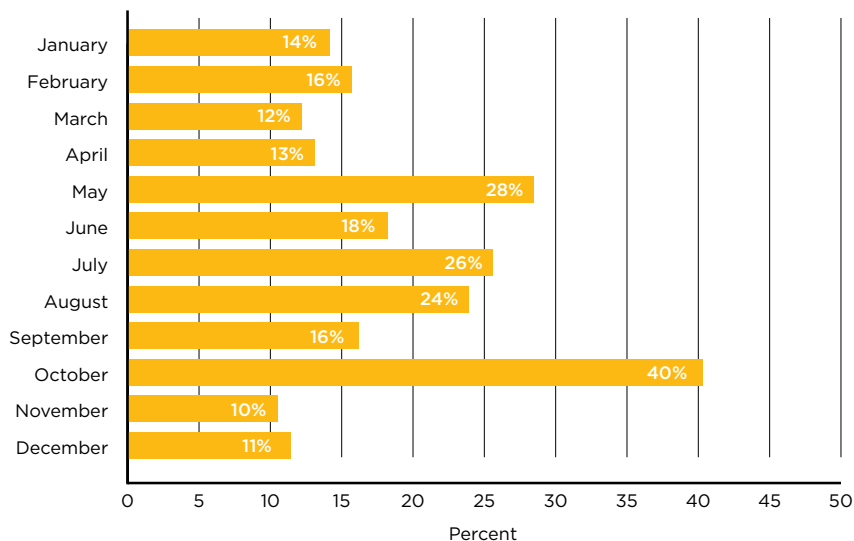


**Mean:** \$6,853 **Median:** \$5,550



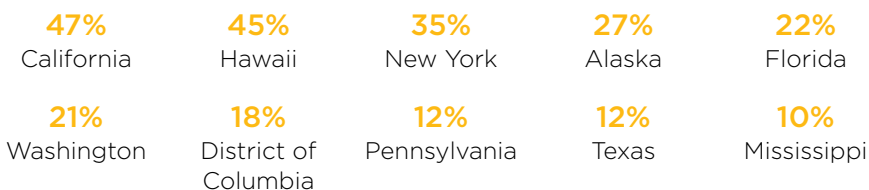
## Months Traveled (March 2017–March 2019)

Question: During what month(s) did you take your holiday(s)? Base: China intercontinental travelers 2019 (N=1050).



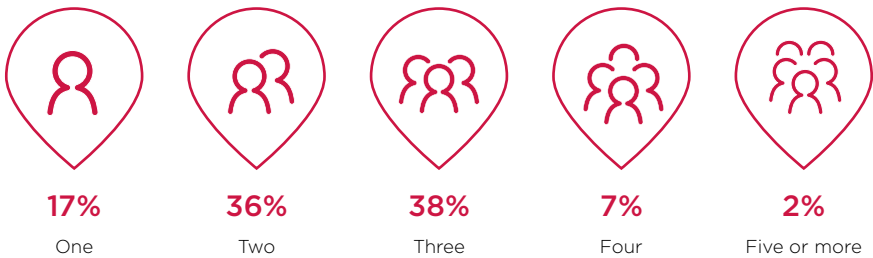
## Destination Interest—Top 10 States

Question: You indicated in a previous question that you have interest in visiting the USA some time in the future. Which U.S. state(s) are you interested in visiting? Base: China intercontinental travelers with interest in visiting the United States (N=1040).



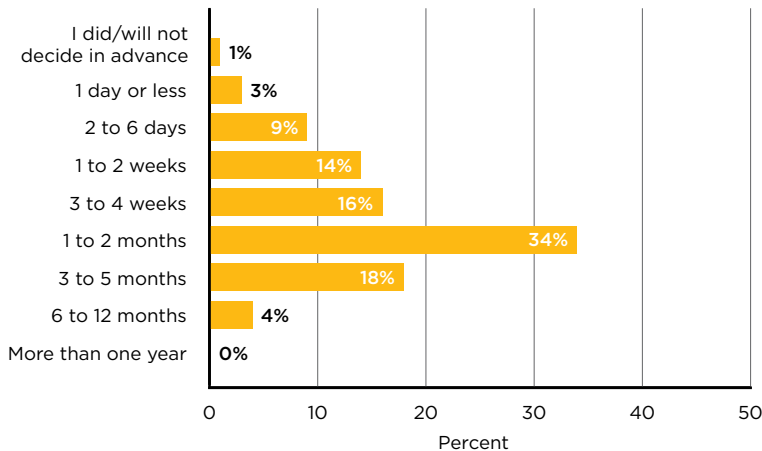
## Expected Travel Party Size of Next Intercontinental Trip

Question: Who will travel with you on this holiday? Select all that apply. Base: China intercontinental travelers 2018 (N=1050). Note: Totals may not add up to 100% due to rounding.



## Destination Decision for Next International Trip

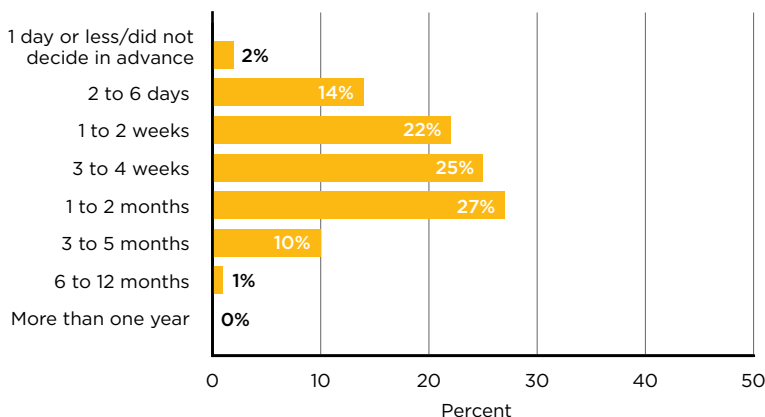
Question: How far in advance of your departure date did/will you decide on the destination? Base: China intercontinental travelers 2018 (N=1050). Note: Totals may not add up to 100% due to rounding.





## Air Booking for Next International Trip

Question: How far in advance of your departure date did/will you book the travel products for this holiday? Select one option from the drop-down box. Base: China intercontinental travelers 2018 (N=1050). Note: Totals may not add up to 100% due to rounding.



## Net Promoter

Question: United States of America: If a friend or relative were discussing a future holiday destination with you, which statement would best describe your attitude toward the following countries? Base: China intercontinental travelers (N=1050). Note: Totals may not add up to 100% due to rounding.



**35%**

I would bring it up to recommend as a destination



**35%**

I would tell people positive things about it if it were brought up



**24%**

I would tell people neither positive nor negative things if it were brought up



**5%**

I would tell people negative things if it were brought up

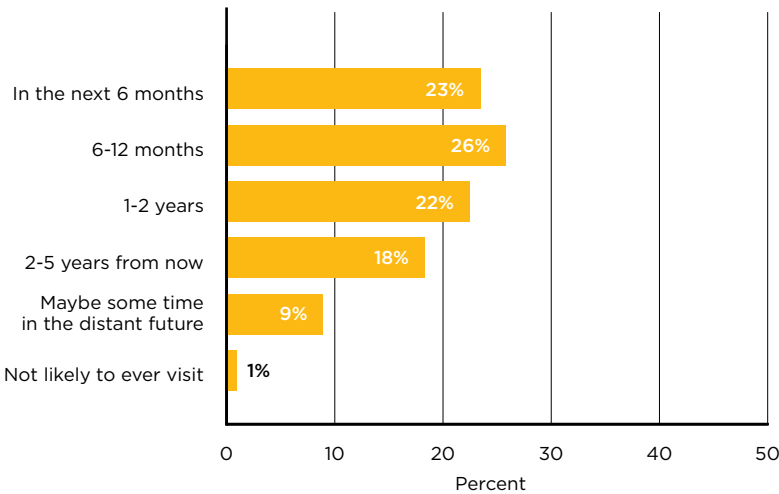


**1%**

I would bring it up to discourage people from traveling there

# Likelihood of Travel to the USA

Question: When, if ever, are you likely to visit the following countries? Base: China intercontinental travelers 2018 (N=1050).

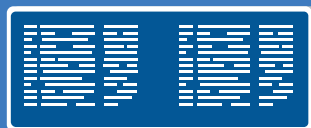




## Highlights of Success

Over the past seven years, Brand USA's marketing efforts have generated...

**7.5 million**  
incremental visitors



nearly  
**\$25 billion**  
incremental spending

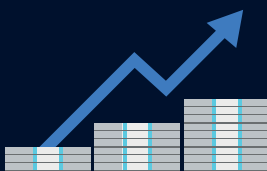


**50,000+**  
incremental jobs  
supported  
each year

**\$7.1 billion**  
federal, state &  
local taxes



nearly  
**\$55 billion**  
total economic  
impact



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## Brand USA Markets

Brand USA deploys its marketing efforts in a strategic combination of emerging and established markets that have the potential to drive the greatest returns in terms of visitation, spend, and market share.

Based on these market selection factors, Brand USA currently focuses the majority of its consumer marketing efforts in the following markets:

- Australia
- Brazil
- Canada
- Chile
- China
- Colombia
- France
- Germany
- India
- Japan
- Mexico
- South Korea
- Sweden
- United Kingdom

These 14 international markets generate more than 80 percent of inbound travel to the United States. In total, through the combined total of Brand USA's cooperative marketing platforms, contributed media, and trade outreach, the international marketing effort is present in more than 40 markets.



# Brand USA Partnerships



## About the U.S. Department of Commerce

Brand USA works in close concert with the U.S. Department of Commerce through the National Travel and Tourism Office (NTTO) and the U.S. Commercial Service.



### The National Travel and Tourism Office (NTTO)

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NTTO is the liaison between Brand USA and the federal government. The office works with Brand USA on behalf of the Secretary of Commerce, who appoints the Brand USA Board of Directors and approves Brand USA's annual objectives in consultation with the Secretary of State and the Secretary of Homeland Security. Additionally, NTTO facilitates the approval of matching funds for Brand USA and connects Brand USA to other federal agencies.

More broadly, NTTO creates a positive climate for growth in travel and tourism by reducing institutional barriers to tourism, administers joint marketing efforts, provides official travel and tourism statistics, and coordinates efforts across federal agencies through the Tourism Policy Council. The office works to enhance the international competitiveness of the U.S. travel and tourism industry and increase its exports, thereby creating U.S. employment and economic growth through:

- Management of the travel and tourism statistical system for assessing the economic contribution of the industry and providing the sole source for characteristic statistics on international travel to and from the United States;

*Photos: Shantang Street, Suzhou (left); Beihai Park, Imperial City, Beijing (right)  
Source: CIA World Factbook 2018, unless noted otherwise*

- 
- Design and administration of export expansion activities;
  - Development and management of tourism policy, strategy and advocacy;
  - Technical assistance for expanding this key export (international tourism) and assisting in domestic economic development.

### Contact:

NTTO  
International Trade Administration  
U.S. Department of Commerce  
1401 Constitution Avenue, NW  
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202.482.0140  
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## The U.S. Commercial Service



Brand USA works closely with the U.S. Commercial Service (USCS) to pursue our mutual objective of promoting the United States as the premier international travel destination.

The USCS is the trade promotion arm of the U.S. Department of Commerce's International Trade Administration. The USCS is a federal government agency with a domestic network of over 100 offices and a global network operating in over 75 countries. The mission of the USCS is to assist American companies in their export needs and to support foreign direct investment into the United States. As America's largest services export, travel and tourism is a key sector for the USCS.

The Commercial Service Global Travel and Tourism Team helps U.S. destinations and travel suppliers attract international visitors and grow international arrivals. This assistance can include: trade counseling, market research, vetting of potential partners, outreach to wholesale buyers, and support with international sales calls/trade shows/visits. To search for a domestic trade specialist near you, visit [www.export.gov](http://www.export.gov).

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#### **Andrea Shen**

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7.30.20