

SATC Industry Forum  
Market Update Presentation

**China & Hong Kong**

November 2011

# Market Overview – Mainland China

<b>Population</b>	1.339 billion (August 2011 estimation excluding Hong Kong, Macau & Taiwan)
<b>GDP Growth</b>	9.63% in 2011 (estimated)
<b>Arrival Australia in 2010</b>	454,000
<b>Economic Value</b>	\$3.1 billion

## MARKET INTELLIGENCE

- Of the more than 400,000 Chinese who visited Australia in 2010, **shopping for pleasure** (80 percent) was the top pastime, followed closely by **site seeing, dining and eating out and going to the beach**.
- Half of all Chinese tourists also like to **visit national parks** as well as **botanic gardens and city parks**.
- In terms of the volume, the market is still dominated by **tour groups** visiting two to three States
- Majority of consumers are **price conscious** and competitive pricing is a feature of the market.
- Meanwhile, some consumers in developed travel regions are becoming more **mature** and seeking **quality** and varied travel options. It is expected that **small private group** and **FIT** travel will grow in popularity.
- According to Tourism Australia's survey, holiday visitors from China were more likely to plan their trip to Australia **1-3 months before** departing China and have shorter planning horizons than VFR visitors
- Travel information is much more **readily available** in China today with consumers able to access information on holiday planning via distribution partners, travel magazines, TV and the Internet.
- **Online environment** changing rapidly but very influential



# Market Overview – Hong Kong

## MARKET INTELLIGENCE

- Heavily **FIT** driven market – especially the case for SA
- Majority of visitors from Hong Kong to Australia were **repeat** visitors
- **30-44 years segment** accounted for nearly one third of arrivals to Australia, closely followed by the **45-59 years**
- Consumers are **well travelled** and looking for new experiences such as cruise holidays, self drive
- Consumers look for **‘value-add’ offers**.
- **Short lead-time** for bookings. .
- Airlines have been active in promoting their Australian routes, such as **ticket-only promotion**

## CHALLENGES

- Strong currency and high tour cost
- Low consumer/trade awareness
- No iconic attraction
- Face keen competitions among STOs
- No “hook” for consumers to go NOW
- The volatility of HK stock market which affects consumer sentiment



# Forecast Growth to Australia

Actual Year Ending June 2011 – **499,700** Visitors to Australia  
(SA **17,100**)

Forecast 2014 – **570,000** Visitors to Australia  
(Based on current market share SA **19,505**)

Forecast 2019 – **783,000** Visitors to Australia  
(Based on current market share SA **26,795**)

**Maintaining market share will see China  
become a top three source market for SA by  
2020.**

# Marketing Success (Mainland China)

## SQ MOU campaign on Qunar.com

- Qunar.com is a famous online tourism media in China.
- Partner with SQ, SA advertisement banner was showed on top position of various pages on qunar.com. By clicking the banner, consumers can be linked to the campaign page.
- SA advertisement banner appears on MSN Live Banner, target users locate at Shanghai, Beijing and Guangzhou.
- SA destination knowledge is distributed and consumer awareness is strengthened by this campaign.



# Marketing Success (Mainland China)

## Weibo (Chinese Twitter) Promotion

- SATC official Weibo launched on four major Chinese website (SINA, TENCENT, NETEASE, TIANYA)
- There are 85,389 consumers followed four SATC Weibo.
- SA destination information is promoted on weibo on daily basis.
- SATC campaigns are promoted on weibo to attract more consumer awareness.



# Marketing Success (Mainland China)

## SA Mini-site

Period: 20 Dec.2010 -31st Feb, 2011

Achievements:

- The estimated outreach of this mini-site is over 50,000
- The game section alone has attracted around 11,221 users.
- People gained a chance to learn about different ways of getting around in SA, either by train, airplanes or car
- More than 40 users have registered to receive e-Newsletter on a regular basis



# Marketing Success (Hong Kong)

## Joint Promotion with Singapore Airlines Holidays and Jacob's Creek

- 1) Promote free and easy tour packages using wine, nature and self-drive as themes
- 2) For every consumer who bought the above tour package, a bottle of JC wine, a pot of KI honey and a half dozen oyster were given.
- 3) To leverage Jacob's Creek promotional channels including wobblers and posters distributed in Jacob's Creek retail outlets, 20,000 neck tags placed on wine bottles, online advertising, e-newsletter, JC dinner to consumers

**自駕暢遊** 3日 由 HK\$5,399起

暢遊酒鄉，自由探訪澳洲各地風景，途經位於南澳的Linebacker Coast 及鄰近阿得萊德Jacob's Creek 酒莊，更可親臨澳洲著名酒莊，享受自駕遊樂趣。

豪華酒店住宿、飛行巴士接送、一切包辦

類別	住宿酒店	豪華酒店 (4晚)	豪華酒店 (3晚)	豪華酒店 (2晚)	豪華酒店 (1晚)
3	THE RIVER COUNTRY CLUB, HANAU, CANTON	1196	1000	810	620
C	THE RIVER COUNTRY CLUB, HANAU, CANTON	1196	1000	810	620
1	THE RIVER COUNTRY CLUB, HANAU, CANTON	1196	1000	810	620
2	THE RIVER COUNTRY CLUB, HANAU, CANTON	1196	1000	810	620
4	THE RIVER COUNTRY CLUB, HANAU, CANTON	1196	1000	810	620
5	THE RIVER COUNTRY CLUB, HANAU, CANTON	1196	1000	810	620

**自駕暢遊行程**

日期	行程	酒店及酒莊	酒莊
第一天	由新加坡飛往阿得萊德，入住豪華酒店。	THE RIVER COUNTRY CLUB, HANAU, CANTON	THE RIVER COUNTRY CLUB, HANAU, CANTON
第二天	自駕探訪阿得萊德酒鄉，途經Linebacker Coast，探訪Jacob's Creek酒莊，享受自駕遊樂趣。	THE RIVER COUNTRY CLUB, HANAU, CANTON	THE RIVER COUNTRY CLUB, HANAU, CANTON
第三天	自駕探訪袋鼠島，享受大自然，探訪Jacob's Creek酒莊，享受自駕遊樂趣。	THE RIVER COUNTRY CLUB, HANAU, CANTON	THE RIVER COUNTRY CLUB, HANAU, CANTON

**額外優惠包括：**

- 贈送名廠酒 Jacob's Creek Regional Reserve Shiraz 紅酒及名廠蜂蜜
- 贈送名廠生蠔
- 贈送名廠生蠔



# Marketing Success (Hong Kong)

## Joint Promotion with Zuji.com

Eye catching banners at Home Page & Front doors of ZUJI HK (total impressions: 359,000); targeted travellers who search for Australia, Western Europe, New Zealand, Canada and USA as their destinations; which directed traffic to a Custom Land Page with links to SA.com, SATC HK Facebook, SATC mini-site (with brief introduction of SA and Q&A game section) and Zuji booking system



# PR Successes (Overall)

— from July 2010 to June 2011

Over 200 media in 5 key cities

Media monthly regular outreach

183 pieces

Media Coverage

AUD 10,004,021

Advertorial Value

## Clipping Highlights

Lifestyle & Shanghai Morning Post & Tourism & XinMin Evening News & GQ



# PR Successes (Event/Activitie)

## Beijing Media Gathering

- Period: Mar. 17<sup>th</sup> , 2011
- **45** editors from **41** media outlets attended the media gathering, having enjoyed the informative presentation about SA's offerings, interactive games and SA flavored gifts

## Guangzhou Media Event

- Date: Aug. 31<sup>st</sup>, 2011
- Total **39** reporters/editors from **30** media outlets in Guangdong area attended the Wine Tasting Event held in Guangzhou.
- **9** leading dailies, **8** influential lifestyle weeklies, **6** influential monthlies, **5** news portals, **1** TV and **1** radio



# Major Plans - Focus 2011-12 – Mainland China

## Trade Engagement

- Cooperative campaigns with strong consumer direct element.
- Increase SA presence in China market group itinerary.
- Group focus for short and medium term, FIT focus for long term.
- Agent education by training, roadshow and travel exchange.
- Famil for key agent including ATE & PAS famil.
- Feature key regions of Adelaide, Barossa and KI.

## PR / Media

- Increase consumer awareness by media campaign.
- Regular media famils. Feature products / themes include food, wine, nature, wildlife, lifestyle, events and more.
- Regular media release and promotion in conjunction with Edelman (PR agency).

## Online

- Improved sa.com
- Weibo (Chinese twitter) promotion
- Online campaign



# Major Plans - Focus 2011-12 – Hong Kong

## Joint Promotion with Kuoni Travel

- Promoting small groups with a minimum of 2 pax
- Mono SA 6 days/4 nights all-inclusive tour

## SIA Holidays/Jacob's Creek Campaign

- FIT focus themed around food & wine and nature & wildlife.

## Facebook Promotion

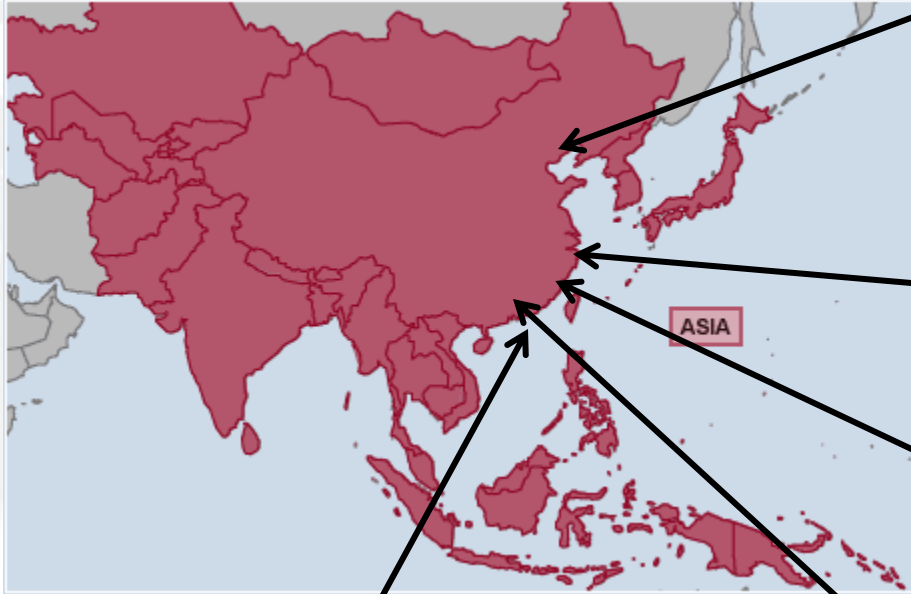
- Hong Kong has nearly 4 million Facebook users
- Over 3,000 fans
- A comprehensive and attractive landing page and a game sponsored by Jacob's Creek were launched on 5 September.
- The Facebook landing page features tourism information, You-Tube Channel, itineraries and brochures download area, agents' itineraries etc.

## Themes Promoted in Market

- Food, Wine and Seafood
- Nature & Wildlife
- Self-drive



# Key Players – Trade



## **Beijing**

CYTS, China Peace  
CITS, Beijing ANZ  
CTS

## **Shanghai**

Shanghai Jinjiang, Ctrip.com  
Shanghai Woman, Spring  
CTS, CYTS, CITS  
Shanghai Airlines Tour

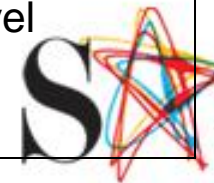
**Hangzhou** Zhejiang V-tour,  
Ever Bright, CYTS

## **Guangdong Province**

GZL  
Yue Qiao/BCTS  
Guangdong CTS  
Guangzhou CYTS  
Shenzhen CITS  
Shenzhen Cept Travel  
Zhongshan CITS

## **Hong Kong**

Kuoni Travel  
Jetour Holidays  
SIA Holidays  
CX Holidays  
Qantas Holidays  
Wincastle Travel  
Travel Expert



South Australia.  
A brilliant blend.

# Online Environment

- The internet is gaining in popularity as a source of visitor information, with 33% of Chinese visitors going online to help plan their trip. Word-of-mouth is still an important source with 32% of visitors relying on the knowledge of their friends and relatives. Travel agents are used by 21% of Chinese visitors.
- The growing adoption of web-enabled mobile devices bring richer opportunities for marketers to connect with consumers before, during and after their trips.
- Chinese online search giant Baidu had made inroads into the emerging travel search market in China with its purchase of local travel search engine Qunar.

## Key Online Websites / Social Media



Founded in 2000, **Baidu** is the world's largest Chinese search engine. In December 2007, Baidu became the first Chinese company to be included in the NASDAQ-100 index.



**Ctrip**, founded in 1999, is a leading online travel service company in China with its headquarter in Shanghai. It offers more than fifty million registered members with services including hotel accommodation reservation, train and airplane tickets reservation and tourist information.



Founded in 2005, **Qunar.com** is currently the leading online travel media in Asia Pacific with its headquarters in Beijing. It provides tourists with extensive search options for air tickets, hotels, resorts and visa services at home and abroad in order to help Chinese tourists make better choices.



**Sina Weibo** is a Chinese microblogging, Akin to a hybrid of Twitter and Facebook, it is one of the most popular sites in China, in use by 30% of internet users, it has a similar market penetration that Twitter has established in the USA. It was launched by Sina Corporation.



# Opportunities for Operators

- Exposure of relevant products on the Simplified Chinese website
- SA China Roadshow event
- Greater China Travel Mission (Annual in November)
- Participation in ATE (Eastern Hemisphere) 2012
- Supporting Premier Aussie Specialists familiarization tours for China agents
- Supporting Chinese media familiarization tours
- Establishing a Chinese website/ add blog comments to SATC's Chinese site
- Exposure of relevant products in electronic newsletters distributed to travel trade and media
- Inclusion in relevant tactical campaigns
- Build relationships Chinese ITOs in SA, Sydney and Melbourne.

# How you can support SATC's Marketing Efforts

- Families support.
- Reverting promptly for information requests or for quotes. China has very tight timelines.
- Consider producing company information in Simplified Chinese.
- Familiarise yourself with basic cultural etiquette.
- Keep SATC China, SATC Adelaide and key ITO's updated on your product.

# How can SATC support you better in our International Marketing Efforts?

Any other questions?

