# China Fact Sheet

## China Overview

The Hawai‘i Tourism Authority selected TRAVLOCAL LIMITED for Brand Marketing and Management Services in China. The China market continues to lead in per person per day spending among all major source markets for Hawai‘i. In 2024, Hawai‘i Tourism China (HTC) will continue to focus on digital and social media marketing and leverage partnerships in travel trade events and roadshows across China to elevate Hawai‘i’s image and brand awareness and promote responsible and mindful travel.

## Year-to-Date March 2024 Quick Facts[1]

Visitor Expenditures: $10.2 million
Primary Purpose of Stay: Pleasure (3,169) vs. MCI (178)
Average Length of Stay: 7.38 days
First Time Visitors: 61.6%
Repeat Visitors: 38.4%

| CHINA (by Air) | 2019 | 2020 | 2021 | 2022 | 2023P | 2024 Annual Forecast* | YTD Mar. 2024P | YTD Mar. 2023P | % Change |
|---|---|---|---|---|---|---|---|---|---|
| Visitor Expenditures* ($ Millions) | 242.8 | NA | 22.4 | 39.6 | 33.2 | NA | 10.16 | 7.25 | 40.1% |
| Visitor Days | 737,950 | 151,110 | 70,468 | 116,043 | 96,496 | NA | 26,028 | 20,941 | 24.3% |
| Arrivals | 92,082 | 15,878 | 6,686 | 13,771 | 12,679 | NA | 3,529 | 2,772 | 27.3% |
| Average Daily Census | 2,022 | 413 | 193 | 318 | 264 | NA | 286 | 233 | 22.9% |
| Per Person Per Day Spending* ($) | 329.0 | NA | 317.8 | 341.3 | 343.6 | NA | 390.5 | 346.3 | 12.8% |
| Per Person Per Trip Spending* ($) | 2,636.6 | NA | 3,349.0 | 2,876.2 | 2,615.0 | NA | 2,880.5 | 2,616.3 | 10.1% |
| Length of Stay (days) | 8.01 | 9.52 | 10.54 | 8.43 | 7.61 | NA | 7.38 | 7.55 | -2.4% |

*Dept. of Business, Economic Development & Tourism (DBEDT) 2024 forecasts were not available.

## Contact Information

**Hawai‘i Tourism Authority:**
Jadie Goo
Sr. Brand Manager
Tel: (808) 973-2252
jadie@gohta.net

**Hawai‘i Tourism China:**
Dennis Suo
Managing Director
Tel: (808) 683-6088
dennis.suo@htchina.net.cn

[1] 2023 and 2024 visitor data are preliminary. 2019 – 2022 visitor data are the final numbers and reflect updated airfare statistics from DIIO Mi Airline database, data from the National Travel and Tourism Office, and final passenger counts from Airline Traffic Summary reports.

## Market Summary

- In the first quarter of 2024, 3,529 visitors arrived from China and visitor spending was $10.2 million. There were 2,772 visitors (+27.3%) in the first quarter of 2023 and visitor spending was $7.3 million (+40.1%). In the first quarter of pre-pandemic 2019, 29,289 visitors (-88.0%) arrived from this market and visitor spending was $84.0 million (-87.9%).
- In 2023, there were 12,679 visitors from China, compared to 13,771 visitors (-7.9%) in 2022. There were 92,082 visitors in 2019.
- Visitors from China spent $33.2 million in 2023, compared to $39.6 million in 2022 and $242.8 million in 2019. Daily visitor spending in 2023 was $344 per person, higher than 2022 ($341 per person) and 2019 ($329 per person).
- There have been no direct flights from China to Hawai‘i since service ended in early February 2020. There were only 28 scheduled flights with 8,176 seats from Shanghai China in 2020, compared to 419 flights with 116,539 seats in 2019 with service to Shanghai (90,812 seats), Beijing (24,941) and Hangzhou (786).

## Market Conditions

- March 2024 month-end (ME) rate for Chinese Yuan (CNY) vs. USD was 7.10, unchanged from February 2024 (March 2023 ME rate was 6.35).
- From January to February 2024, the total retail sales of consumer goods reached RMB8,130.7 billion (US$1,145 billion), up 5.5 percent year-on-year. Among them, the retail sales of consumer goods excluding automobiles reached RMB7,419.4 billion (USD59 billion), up 5.2 percent.
- The recovery for Chinese tourism has been uneven, with a swift and sound rebound in domestic tourism, and tepid and partial growth for outbound tourism in 2023. Domestic tourism volume will exceed the pre-pandemic levels in 2024, according to the latest data from the National Bureau of Statistics. Spending per domestic tourist in 2023 has already surpassed its pre-pandemic levels, reaching a five-year high.
- Notwithstanding the rise in domestic tourism, Chinese households made 101M cross-border trips in 2023, equivalent to 60 percent of its 2019 levels. Of those, more than 70 percent of the trips were to Hong Kong, Macau and Taiwan, suggesting that the number of trips elsewhere in 2023 reached 2.4M, recovering to only 36.3 percent of its 2019 levels. In contrast, countries that reopened their borders earlier, such as South Korea, Australia and Singapore, saw their respective outbound tourism levels recovering to more than 65 percent of their pre-pandemic levels one year after reopening, even with covid-related restrictions in other countries.
- The ease of inflation in major tourism destinations, as well as stabilization of the CNY exchange rate, will help to underpin demand for outbound tourism in 2024. Domestically, the continuing improvement of the labor market is likely to restore household income expectations and consumer confidence, which in turn will result in greater willingness to spend on costly overseas travel. However, some structural problems in the labor market, namely youth unemployment, will remain. This will continue to pose challenges to China’s outbound tourism, as the youth make up a significant portion of outbound travelers.
- The trend of personalization is dominating China’s marketing landscape, with brands leveraging data analytics and AI to create highly personalized experiences. This approach is rooted in understanding individual consumer behaviors and preferences, significantly enhancing engagement, brand loyalty, and retention.

- China’s passion for winter sports and outdoor activities has reached new heights, catalyzed by the lingering excitement from the Winter Olympics. This enthusiasm extends beyond traditional winter sports like skiing and snowboarding, encompassing a wide array of outdoor pursuits. The increased interest in outdoor activities in China is also a rebound from the extended period of coronavirus restrictions. Social media trends reflect this change vividly. On platforms like Xiaohongshu, there has been a substantial increase in content related to outdoor activities. For instance, hiking and mountaineering content views surged by 300 percent, while cycling and biking saw a 400 percent increase. This uptick also extends to other activities like diving, surfing, and camping, underscoring the widespread and growing interest in outdoor leisure.
- Hainan Airlines resumed flights to Beijing's Capital International Airport, the first non-stop service from Beijing to Seattle since the pandemic. Seattle Airport has 48 international services, surpassing its pre-pandemic total of 42.

## Distribution by Island

| CHINA (by Air) | 2019 | 2020 | 2021 | 2022 | 2023P | YTD Mar. 2024P | YTD Mar. 2023P | % Change |
|---|---|---|---|---|---|---|---|---|
| O'ahu | 88,596 | 15,167 | 5,526 | 11,711 | 10,892 | 3,061 | 2,368 | 29.3% |
| Maui County | 19,743 | 4,000 | 1,400 | 3,023 | 1,744 | 449 | 468 | -4.2% |
| Maui | 19,387 | 3,925 | 1,349 | 2,889 | 1,629 | 405 | 442 | -8.4% |
| Moloka'i | 718 | 107 | 20 | 86 | 60 | 17 | 9 | 95.6% |
| Lāna'i | 847 | 79 | 62 | 157 | 102 | 43 | 28 | 54.7% |
| Kaua'i | 3,781 | 1,004 | 438 | 911 | 891 | 227 | 143 | 59.2% |
| Hawai'i Island | 34,445 | 6,412 | 1,980 | 4,148 | 3,537 | 1,082 | 845 | 28.1% |

## Group vs. True Independent; Leisure vs. Business

| CHINA (by Air) | 2019 | 2020 | 2021 | 2022 | 2023P | YTD Mar. 2024P | YTD Mar. 2023P | % Change |
|---|---|---|---|---|---|---|---|---|
| Group vs True Independent (Net) | | | | | | | | |
| Group Tour | 16,198 | NA | 222 | 773 | 819 | 241 | 237 | 1.7% |
| True Independent (Net) | 45,857 | NA | 5,289 | 10,078 | 9,030 | 2,481 | 1,935 | 28.2% |
| Leisure vs Business | | | | | | | | |
| Pleasure (Net) | 80,528 | 14,405 | 6,276 | 12,745 | 11,081 | 3,169 | 2,428 | 30.5% |
| MCI (Net) | 7,246 | 684 | 69 | 488 | 788 | 178 | 148 | 19.9% |
| Convention/Conf. | 3,544 | 392 | 23 | 317 | 514 | 116 | 84 | 37.6% |
| Corp. Meetings | 1,158 | 131 | 14 | 41 | 72 | 17 | 22 | -23.9% |
| Incentive | 2,693 | 162 | 40 | 154 | 211 | 48 | 48 | 0.0% |

## First Timers vs. Repeat Visitors

| CHINA (by Air) | 2019 | 2020 | 2021 | 2022 | 2023P | YTD Mar. 2024P | YTD Mar. 2023P | % Change |
|---|---|---|---|---|---|---|---|---|
| First Time Visitors (%) | 77.7 | NA | 65.7 | 63.7 | 62.2 | 61.6 | 70.2 | -8.6 |
| Repeat Visitors (%) | 22.3 | NA | 34.3 | 36.3 | 37.8 | 38.4 | 29.8 | 8.6 |

## Tax Revenue

| CHINA (by Air) | 2019 | 2020 | 2021 | 2022 | 2023P | YTD Mar. 2024P | YTD Mar. 2023P | % Change |
|---|---|---|---|---|---|---|---|---|
| State tax revenue generated* ($ Millions) | 28.34 | NA | 2.61 | 4.59 | 3.85 | 1.18 | 0.84 | 40.1% |

*State government tax revenue generated (direct, indirect, and induced)