# Welcoming Chinese guests

## Trade and distribution guide

NORTHERN TERRITORY GOVERNMENT

AUSTRALIA'S NORTHERN TERRITORY

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## Trade and distribution guide

There are over 2,000 licensed outbound travel agencies in China, and hundreds of inbound operators servicing these agencies in Australia.

Based on geographic location, purchasing power and economic development situation, China outbound tourism market is usually rated by tier 1, tier 2 and tier 3 market.

If you are looking to work directly in market it is recommended to focus on tier 1 and tier 2 cities with the largest populations, incomes and greater propensity to travel.

**Tier 1 – Shanghai, Beijing, Guangzhou and Shenzhen.**

**Tier 2 – Chengdu, Hangzhou, Qingdao.**

This checklist provides practical guidance for NT tourism businesses who wish to attract Chinese visitors and engage with suitable trade and distribution partners who work in the China inbound market

## Chinese distribution system

The travel distribution system in China has evolved over the years. Being in the right distribution channels is essential for products to be visible, bookable, and ultimately sold to Chinese travellers.

Most group tour arrangements are handled by Chinese inbound tour operators (ITOs) working with Chinese wholesalers and retailers in China, therefore it is critical to contract with ITOs who work with trusted key distribution partners in China.

Most Chinese ITOs are based in Sydney and Melbourne but unlike western markets where there are a small number of larger players, Chinese ITOs are smaller and there are significantly more which makes distribution more difficult to navigate.

Developing personal relationships with distribution partners is important as are quick response times, cost competitiveness and flexibility to adapt to Chinese visitor nuances.

## ITOS

Below is a list of the larger and more active Chinese ITOs you could consider contracting with:

- AU Kings
- Auga Travel
- Australia and Beyond Holidays (AABH)
- Dixon Travel
- Elsewhere Travel
- Equity Travel
- Experience Tours Australia
- Extragreen
- Grandview Travel Pty Ltd
- KK Day
- Klook
- New Star
- PTC Express Travel
- Sunland Holidays
- Swallow Holidays

## OTAs

OTAs are also becoming more important in China as Chinese visitors move away from large group series to smaller group travel and FIT. The larger OTAs to consider for China are:

Part of Trip.com however it's important to be aware if you contract with Trip.com it doesn't necessarily mean your product will appear on C-Trip. The sites are different and content needs to be translated and is generally contracted separately. PTC (ITO) contracts with C-Trip and provides translated content on your behalf, or you can contract with C-Trip directly.

Fliggy is the second largest OTA operating in China. Elsewhere Travel is an ITO who contracts product to Fliggy which is a way you can distribute through this OTA.

Klook and KKday also have a customer base from mainland China.

## Trade engagement

Educating trade about your products and experiences will motivate them to contract your product and help them sell to consumers and KDPs in China. There are several ways you can engage with Chinese trade.

### Attendance at trade events

The following trade events will provide the opportunity to meet directly with ITOs based in Australia and key distribution partners who sell Australia based in China

- Australian Tourism Exchange (ATE)
- ATEC Explore and Meeting Place
- Australia Marketplace China

### Build and maintain relationships

Maintain relationships with wholesalers, ITOs, and OTAs through ongoing communication

- E-newsletters
- Sales calls
- WeChat contact

### Training and education

- Participate in Tourism NT webinars and events
- Host your own webinars
- Share content and information about your products
- Aussie Specialist Program (ASP) – speak to Tourism NT about participating in the Aussie Specialist Program, there 12,000 qualified Aussie Specialists in mainland China

## Marketing and promotion

The online environment in China is vastly different to western society.

### Social media

Websites such as Google, YouTube, Facebook, Instagram and Twitter are blocked and not accessible. Instead of Facebook, Twitter and Instagram, use platforms including WeChat, RED and Weibo, instead of YouTube, there's Youku and Iqiyi; and Baidu is their alternative to Google.

Social media and travel advice websites in Chinese are used heavily during the consumer travel planning process. However, without native Chinese speakers in your business to manage a presence on these sites it will be resource intensive and challenging.

Tourism NT manage social media accounts in China via Tourism NT's Chinese representative office; therefore, it's recommended you share content via Tourism NT managed channels as you start working in China.

Setting up a WeChat account which is equivalent to WhatsApp is recommended and will increase distribution reach.

### Online and web presence

While trade partners remain critical, the market is digitally sophisticated, and consumers will move between traditional partners and online.

However, like social media, consumers based in mainland China often won't have access to foreign websites therefore investing in website translations is not recommended without investigating accessibility.

Success will rely on visibility where Chinese travellers search and share information, along with strong partnerships with ITOs and a presence on digital platforms. Online visibility can be achieved without significant investment or time by partnering with ITOs and Tourism NT to share your content via their channels.

## Tourism NT support

The Tourism NT International team are available to support the NT industry to increase distribution and trade engagement through trade education programs and connecting with key distribution partners and ITOs.

### For further information please contact

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