

China (PRC): Visitor Market Profile

Market Overview

Chinese visitation to New York City has been growing at a double-digit rate over the last decade, except in 2009 when it contracted due to the global recession. The strong growth rates reflect a surge in leisure visitation, as long-haul travel is seen as economically possible by a rising Chinese middle class with increasing and desirable disposable income. Over time leisure travel out paced business travel; although over 40% comes to the city for business.

The US government has made obtaining a US visa smoother and quicker to meet Chinese visa demand with a resultant increase in Chinese visitation.

In 2013 New York City was the number-one destination in the US for Chinese travelers, followed by Los Angeles – the primary port of entry and transit point for Chinese travel – according to NTTO. NYC is the second port of entry with over 15% of total Chinese travel to the US. In 2013, NYC welcomed an estimated 646,000 Chinese visitors, up 19% and setting a new visitation record.

The Chinese Economy

	2012	2013	2014f	2015f
Real GDP (%YOY)	7.7	7.7	7.4	6.9
Unemployment (%)	4.1	4.1	4.1	4.1
Inflation (%)	2.6	2.6	2.3	2.5
Consumer Spending (nominal %YOY)	9.4	8.5	8.4	7.8

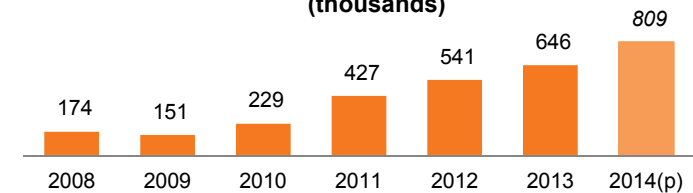
(f) = forecast
Source: Oxford Economics

Activities

- ✓ **Shopping: 86%**
- ✓ **Sightseeing: 84%**
- ✓ Art Galleries/Museums: 51%
- ✓ Fine Dining: 50%
- ✓ Guided Tours: 36%
- ✓ Historical Locations: 33%
- ✓ Cultural/Ethnic Heritage Sights: 29%
- ✓ Concert/Play/Musical: 23%
- ✓ Sporting Event: 10%
- ✓ Nightclubbing/Dancing: 7%

Source: US Department of Commerce/NTTO

Chinese* Visitors to NYC (thousands)



*People's Republic of China (excluding Hong Kong)
(p) preliminary. All forecasts are subject to revision as new data become available.
Sources: NYC & Company, US Dept. of Commerce/NTTO

NYC Visitor Profile

- ✓ **58%** of Chinese traveled for **leisure** (including 22% VFR)
- ✓ Average party size: **1.6 people**
- ✓ **68%** traveled alone
- ✓ **10%** traveled with children
- ✓ **13%** traveled with their spouse/partner
- ✓ **58%** stayed at a hotel
- ✓ Average stay **12.7 nights**
- ✓ **18-34 years** largest demographic (**40% < 30**)
- ✓ Average age **35 year old**
- ✓ Average household income **\$68,300** (with 7% earning more than \$200,000)
- ✓ **40%** used NYC as a **port of entry** to the US
- ✓ **Airlines** and **personal recommendations** were the main information sources (37% and 34% each)
- ✓ **34% booked air tickets** through **Tour Operators** and **Travel Agencies** (33% booked through Internet booking services)
- ✓ Average decision to travel **40 days** prior to departure
- ✓ Average spend **\$3,591 pp/trip**
- ✓ Market total spending **\$2.3 billion**

Source: US Department of Commerce/NTTO

Chinese travelers to NYC

Chinese visitation to NYC has been predominantly group and family travel; however, as Chinese travelers become more comfortable traveling abroad FIT (Fully Independent Travel) is rising at a fast pace.

Chinese VFR travel is among the highest compared to the average overseas travel (22% vs. 15%).

Shopping is the most popular activity among Chinese travelers.