

Where have all the Chinese tour groups gone?

Roy Graff offers his thoughts on how UK tour operators can take advantage of authorised destination status.

LAST YEAR in August, 80 lucky Chinese tourists (half of them officials, travel agents and media) came to Britain as part of the first 'official' tourism group. This was the beginning of a new policy by China to allow its citizens to travel to Britain as group tourists. Those of us in the industry thought this would be the start of a flood of Chinese tourism.

That hasn't happened. According to VisitBritain, the application for ADS tourist visas accounted for a 5 per cent increase in business over last year's figures (they expected a 10 per cent increase). Most visitors continue to travel on business or education visas, in part because of some issues arising out of granting ADS visas (explored below).

Why has ADS not led - yet - to an increase in numbers? Firstly, ADS is a method for Chinese authorities to regulate where and how its citizens travel. It was not designed as a system to promote more tourism to a particular destination. Once a country has been designated an ADS country, its tourism promotion board and approved tour operators can begin market promotion and advertising.

Each country manages this in a different way. Britain chose to select a small number of Chinese travel agencies which can apply for a group tourist visa (maximum 50 out of 672 outbound licensed agents - currently at 24). The selection process is handled by the consulate based on financial stability and reputation criteria.

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Only the largest travel agencies in the major cities can be approved. When a smaller agency has a group to take to the UK, it would much rather try to obtain a business visa directly rather than handing over its clients to a competitor which can apply for tourist visas.

The other complication is that the visa application form processing has been outsourced to a private company based in 12 different cities in China. It is their responsibility to check the completed forms for errors and ensure all support documentation is provided, before passing the documents to the consulate for the decision.



UK Inbound stand at Beijing International Travel and Tourism Market, November 2005

In the past, many agents have handed in incomplete or incorrect forms which slowed down the process. This system is meant to solve the problem. In fact, it has resulted in a fee increase, making the UK visa much more expensive than a European one (the so-called Schengen visa which allows entry to all signatory countries).

Currently, the main beneficiaries of Chinese tourism are smaller, specialist operators which have been in this market for more than 10 years. They have personal relations in China with travel agents, government departments, Chinese companies and immigration offices and can exploit those contacts to receive the most lucrative groups.

By contrast, business groups require an invitation letter from a suitable organisation in Britain which must be submitted to the consulate. In most cases, the business interest is minimal - perhaps a single meeting during the tour. Once they have the visa, they travel in Britain like any other tour group.

In China there is little or no awareness of the dangers of using uninsured services or the compromise in quality when using unregistered guides. This leads to the Chinese travel agent only caring about the price of the tour. This is being exploited by an unregulated industry of smaller operators who cut their costs by using students as guides and private, uninsured vehicles and drivers.

This problem is compounded by the fact that there are only five Mandarin-speaking Blue Badge (the UK Association of Professional Tourist Guides) guides, two of whom are Cantonese and two Taiwanese. There are other experienced tour guides but they

may not possess any qualifications to differentiate them from overseas students who have little knowledge of the country.

UK initiative

So what can be done? Since gaining the right to market Britain in China, VisitBritain has taken several initiatives. For example, last November it led a showcase with several regional tourism boards and local suppliers to Beijing and Shanghai. Together with UKinbound it has also participated in the largest travel exhibition in China - CITM.

The industry, too, is responding to the particular issues to do with ADS. Taking part in tourism marketing through road shows and travel exhibitions will show Chinese tourism partners that the British are committed to building long-lasting relationships. This also means localising websites, brochures and being able to communicate in Mandarin verbally and in writing.

Many Chinese travel agents will be happy to promote tourism to UK and have a choice of good tour operators whom they can use, if they are able to apply for group tourist visas directly. It is important to allow more travel agencies access and assess the companies on the basis of their existing business to UK, not just the size of their bank account.

One way to improve the overall level of services we offer to Chinese tourists is to learn from best-case examples. The European Chinese Tourism Welcoming (ECTW) award does just this, by recognising excellence in the field by European tourism organisations and related companies.

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Practical steps

- Plan to translate your literature and web content into Chinese using translators experienced in the tourism industry. Host your website in China to avoid censorship and speed issues.
- Attend a workshop or seminar on the Chinese outbound tourism sector. A free seminar will be held on the morning of 5th June at the Travel Distribution Summit in London.
- Go to China and gain a first-hand impression through exhibiting at a trade fair and visiting clients' offices. You will need an interpreter at all times.
- Nominate yourself to the ECTW 2007 awards.