
A study of tourism market for Chinese citizens travelling to the USA

Jinxia Zhang

School of Business,
Jiangnan University,
8 Sanjiaohu Road,
Economic and Technological Development Zone,
Wuhan, Hubei 430056, China
Email: 993229348@qq.com

Yanbin Tu*

School of Business,
Department of Marketing,
Robert Morris University,
Moon Township, PA 15108, USA
Fax: 412-397-2172
Email: tu@rmu.edu

and

School of Business,
Jiangnan University,
Wuhan, Hubei 430056, China

*Corresponding author

Abstract: Since China and the USA signed the travel memorandum in 2007, the tourism market for Chinese citizens travelling to the USA grew very rapidly. The USA has become China's the fifth largest tourist destination country, and there is still a huge space for market expansion. This paper summarises the basic characteristics of tourism market for Chinese citizens travelling to the USA. It also analyses the purposes for Chinese citizens for travelling to the USA such as the attractiveness of American nature, the rising of Chinese personal income and the change of American tourism visa policy to Chinese. It addresses potential concerns the market for Chinese citizen travelling to the USA. We discuss the market's trends and consumers' evolution in the future. Finally, we offer our recommendations on promoting the tourism market at both macro- and micro-levels.

Keywords: tourism market; Chinese citizens travelling to the USA; market characteristics; travelling purposes; tourism market trend.

Reference to this paper should be made as follows: Zhang, J. and Tu, Y. (2018) 'A study of tourism market for Chinese citizens travelling to the USA', *Int. J. Leisure and Tourism Marketing*, Vol. 6, No. 1, pp.23–38.

Biographical notes: Jinxia Zhang is a Professor of Tourism Management at School of Business, Jiangnan University. She is a distinguished scholar and she has published many papers and accomplished 20 research projects. Her research fields include tourism marketing, tourism education and development, and tourism management. She has also served as the Department Head of Tourism Management at Jiangnan School of Business for more than 10 years.

Yanbin Tu is a Professor of Marketing at School of Business, Robert Morris University in Pennsylvania. He is also a Summer Visiting Professor and Chutian Scholar at School of Business, Jiangnan University in China. He obtained his Doctorate from the University of Connecticut. His research interests cover e-commerce, interactive marketing, database marketing and customer relationship management. His work has appeared in *International Journal of Electronic Commerce*, *Applied Economics*, *Decision Support Systems*, *Journal of Electronic Commerce Research*, *International Journal of Internet Marketing and Advertising*, *International Journal of Electronic Business* and *Communications of the ACM*.

1 Introduction

With the personal disposable income and leisure time increase, more public holidays and paid-leave for vacation system, the demand of Chinese citizens for outbound tourism has been increasing rapidly in the past 10 years. The number of outbound tourists has grown steadily at a two-digit growth rate from 2011 to 2015 (Table 1). Since 2013, China has consecutively maintained the largest outbound tourism country in the world for four years, and contributed a large number of global tourists every year. In fact, China is the only country in the world with more than 100 million of outbound tourists. Meanwhile, China has become the largest outbound tourism consumption country in the world from 2012 to 2015 (Table 2). Compared to other markets, tourism market for Chinese tourists travelling to the USA is growing steadily. The USA has become one of the most popular destinations for Chinese tourists.

Table 1 Number of outbound Chinese tourists (2011–2015)

Year	Number of outbound tourists (10,000 person)	Growth rate (%)
2011	7,025.00	22.4
2012	8,318.27	18.4
2013	9,818.52	18.0
2014	10,700.00	19.5
2015	11,700.00	9.00

Data Source: Consolidated data from China National Tourism Administration 2011–2015

However, there are few studies on Chinese citizens travelling to the USA in the literatures. There are a few case studies on Chinese citizens travelling to other areas. For examples, Qu and Lam (1997) studied the motivations of Chinese mainland residents travelling to Hong Kong. Feng and Page (2000) studied the habits and patterns of

Chinese citizens travelling to New Zealand. Pan and Lam (2001) studied the characteristics of Chinese citizens travelling to Australia. Zeng and Zhang (2005) studied the characteristics of the mainland residents' self-guided tour to Macau. Lin (2010) studied the market characteristics of Chinese tourists travelling to Korean. Zou (2008) studied development trend and strategy of tourism market on the Chinese citizens travelling to the European. Generally speaking, China's outbound tourism research is still at the initial stage in the literature, and studies on Chinese tourists travelling to the USA are still vacant now. This case study aims to explore the untapped area. In it, we will analyse and study characteristics, causes and trend of the tourism market for Chinese citizens travelling to the USA.

Table 2 Outbound tourism expense by Chinese citizens (2011–2015)

<i>Year</i>	<i>Expense on outbound tourism (\$100 million)</i>	<i>Growth rate (%)</i>
2011	726	~
2012	1,024	41.0
2013	1,090	6.4
2014	1,550	42.2
2015	2,920	88.4

Data Source: Consolidated data from UNWTO 2011–2015

This case study is arranged as follows: after the introduction we list the basic characteristics of tourism market for Chinese citizens travelling to the USA. Next, we analyse the associated reasons for travelling to the USA. Then, we demonstrate the market trends, barriers and recommendations in the near future. Lastly, we summarise the case study after discussions.

In this study, digital music samples with higher quality and longer segments are found to increase the samplers' music evaluation and make the evaluation process more reliable to the sampler. Also, we find that the samplers' music evaluation, instead of music spending, significantly determines their willingness-to-pay (WTP). Higher music evaluations will not only decrease the samplers' sampling cost during the sampling process, but also reduce the probability that samplers will take the music sample as a substitute for the original music. Our study also shows that current music sampling practices are not optimal and music retailers can improve on their strategies by providing samples with longer segments and in higher quality. All of these findings have significant implications for music retailers with regards to their digital music sampling strategy.

2 Characteristics of the tourism market for Chinese citizens for travelling to the USA

2.1 The USA is one of the most important tourism destinations for Chinese tourists

At present, Chinese tourists has visited more than 150 tourist destination countries and regions. The distance between China and the USA is long with more than 6000 miles. The tourism market for Chinese citizens travelling to the USA started late, but it grew

rapidly. Since Chinese group tour to the USA officially begun in June 2007, the scale of inbound and outbound visiting between China and the USA has expanded smoothly, continuously and fast. The USA has become one of China's most important tourist destination countries. Table 3 shows that the USA has remained one of the top five most important tourist destinations in China in the last five years.

Table 3 Outbound tourism destinations rank of Chinese citizens (2011–2015)

No.	2011	2012	2013	2014	2015
1	Korea	Korea	Korea	Korea	Thailand
2	Malaysia	Thailand	Thailand	Thailand	Korea
3	Japan	Japan	USA	Japan	Japan
4	Thailand	Cambodia	Japan	USA	Vietnam
5	USA	USA	Vietnam	Vietnam	USA

Data Source: Consolidated data from China National Tourism Administration 2011–2015

2.2 *Chinese tourists become one of the most important tourist sources to the USA*

As Chinese citizens travelling to the USA shows a double-digit growth, Chinese tourists become one of the most important tourist sources to the USA. According to the statistics of the China National Tourism Administration in Table 4, the number of tourists travelling to the USA in 2011 reached 1.36 million, which was the ninth largest source country to the USA (the ranking in terms of number of tourists is as follows: Canada, Mexico, Britain, Japan, Germany, Brazil, France, Korea, China and Australia) in that year. But China surpassed Brazil to become the fifth largest source country to the USA in 2015.

Table 4 Number and rank of Chinese citizen for travelling to the USA in 2011–2015

Year	Number of Chinese Tourists (10,000 person)	Growth rate (%)	Rank in the tourist source countries of USA
2011	136.04	26.3	9
2012	172.20	26.6	7
2013	196.69	14.2	6
2014	224.00	21.0	6
2015	259.13	18.0	5

Data Source: Consolidated data from China National Tourism Administration 2011–2015

2.3 *Tourism market of Chinese citizens travelling to the USA improved with longer stay and more consumption*

'Consumption upgrade' has become popular to Chinese tourists travelling to the USA in the recent years. Chinese tourists stay longer, consume more and spend more money on shopping in the USA. According to the survey,¹ Chinese tourists' top five spending

categories in the USA were fashion items, department store products, lodging, restaurants and luxury products, which three of them are related to shopping. It is estimated that Chinese tourists' product shopping occupies about 85.9% of their total travel expenses. As for accommodation, the majority of Chinese tourists choose to stay at moderate price hotels (45.6%), followed by budget hotels (27%) and luxury hotels (18.9%). The other 8.5% tourists mainly stay with their relatives and friends.

According to the statistics of China National Tourism Administration, Chinese tourists spending reached \$21.1, 23.77 and 26.9 billion in the USA during 2013–2015, each year, respectively. Chinese tourists contributed to the USA market approximately \$74 million per day on average. The statistics of US Department of Commerce shows that the consumption was more than \$6000 per Chinese tourist on average during visiting in the USA in the recent years, much higher than in other countries. The total spending from Chinese tourists in the USA was the largest among all the American tourism source countries.

2.4 Tourism activities changed from a simply sightseeing to leisure travel

In recent a few years, the tourism activities of Chinese citizens in the USA have changed from the early age 'walk, walk, walk', i.e., sightseeing, to the 'buy, buy, buy', i.e., product shopping, and to the present pattern 'slowly, slowly, slowly' and 'taste, taste, taste', i.e., leisure product consumption. Today, the tourists travelling to the USA are willing to spend more money on entertainment and are more interested in experiencing local American life including suburban and remote rural one.

In the early days, group sightseeing tour was mainly programmatic to Chinese tourists visiting in the USA, travelling from the major cities of east and west coast to Hawaiian Islands in the USA for about 14 days. For many Chinese tourists, they usually chose 2–3 cities on the east and west coast, respectively. These cities include such as New York, Philadelphia and Washington in East, which have a long history and rich western culture, such as Los Angeles, San Francisco, Las Vegas in West, which have rich choices for entertainment and leisure, and such as Hawaii which has tropical islands and sand beaches. This way, Chinese tourists have a good chance for a panoramic sightseeing in the USA. The price of this kind of sightseeing was about \$25,000.

With their wealth increase and tourism experience enrichment, Chinese tourists' interests have shifted from the simple sightseeing, to the purchase of luxury goods, and then to the in-depth cultural experience. Tourism products and service choices were becoming more and more plentiful and diverse, including business tour, cultural tour, educational tour, visiting friends and relatives. Chinese tourists were no longer satisfied with the travel agency's generic arrangements. They like to choose their own routes and attractions basing on their preferences. For example, one travel agency arranges Chinese food for tourists. But, the tourists might ask to experience local food, to customise tour routes and to ask for more destination information. Maybe they only choose to travel in one or two states, or to wander in the museums in New York City, or to visit some famous American companies and universities, even just to watch a basketball game in the USA, and to take a yacht at night.

2.5 Travel mode changed gradually from the group tour to the self-guided tour

In general, as China's outbound tourism is still in its infancy, the group tour by travel agencies has been dominant to Chinese citizens. But in recent years, this situation has changed.

According to the analysis of Ctrip (China largest travel site) on the 6 million tourists (Data source: "Golden-Week Outbound Tourism Trend Report in Spring 2016"), the group tour was still an important choice for domestic tourists, accounted for 49.6%; the self-guided tour accounted for 50.4%. Thus, the proportion of the self-guided tour was bigger than the group tour. Generally speaking, the group tour is mainly suitable for the first-time outbound tourists and senior tourists. Young people are more willing to choose the self-guided tour. At present, more than half of Chinese tourists choose to the self-guided tour, their destinations are mainly Hong Kong, Thailand, Japan, Korea and Southeast Asia.

As a new tourism destination to Chinese, about 70% of Chinese tourists travelling to the USA choose a group tour. However, we believe that more and more Chinese tourists will begin to choose the self-guided tour in the future.

2.6 Tourists preferred famous cities and attractions as destinations in the USA

According to the survey of Visa cardholders,² Chinese tourists' favourite 10 cities in the USA were New York, Las Vegas, San Francisco, Los Angeles, Boston, Chicago, Seattle, Miami, Washington DC and Portland in 2015. Compared with tourists from other countries, Chinese tourists preferred to go to some landmark attractions, such as the Golden Gate Bridge, the National Park (Grand Canyon, Yellowstone Park, etc.), Hollywood Universal Studios, Disneyland and so on.

2.7 Tourism purposes were more diversified

According to the classification on the purpose of inbound tourists of National Travel & Tourism Office (NTTO), US Department of Commerce, the main purpose of Chinese tourists travelling to the USA was 'leisure' and 'visiting relatives and friends' in 2014, Leisure accounted for up to 34%, the proportion of visiting relatives and friends was about 22% and the total of both was more than 50%. Education-related activities accounted for about 16% in 2014. In 2015, 70.7% of Chinese tourists for travelling to the USA were leisure tour, and 12.6% were business tour. While they did not state their full tourism intents explicitly, we believe that many of Chinese tourists travelling to the USA had a purpose for 'shopping', mainly to buy high-quality cosmetics, clothing, luxury goods, health products and electronic products. In particular, as China has an expanding China's middle class population, the purposes for Chinese citizens travelling to the USA were much diversified including sightseeing, leisure, education, short training, study abroad, overseas immigrants and other needs to families of the middle class across different ages.

2.8 Tourism structure showed certain patterns

Season composition: Data from China National Tourism Administration showed that there were two obvious prime times on Chinese tourists travelling to the USA in 2015:

one was a peak season in July and August, and the other was busy season in March and April. The weather of most popular destinations usually begins to become clement in March to April. The best season is in July to August, because the summer time is best for the family tour and study abroad tour.

Educational background composition: Many Chinese tourists have relatively strong education background. In 2015, 36% of the tourists travelling to the USA had a bachelor's degree.

Gender composition: More female tourists over male travelling to the USA.

Age composition: More than 60% of the tourists are young people travelling to the USA. Among them, more than 30% have ages from 25 to 34 years old, suggesting that Chinese young tourists are a dominant group. In addition, the elder people over 60 years old are also a big group travelling to the USA. In China, 60 years old is a mandatory retiring age for many industries and sections.

Occupation: Chinese tourists come from different industries, which are engaged in wholesale and retailing, finance, manufacturing and government agencies.

Length of stay: More than 60% of Chinese tourists stay for 1–2 weeks in the USA.

3 Reasons for Chinese citizens travelling to the USA

3.1 *The USA is an appealing travel destination for its attractions and natural beauty*

Attractiveness of travel destination/attractions is the primary reason why Chinese citizens choose to travel to the USA. The USA has the vast territory with the various natural environments and climates, tall and majestic mountains, with charming scenery of rivers, lakes, waterfalls, vast expanse of forest and grassland, and picturesque, meandering coastline. The USA can provide tourists with sightseeing, mountaineering, camping, skiing, swimming, boating, vacation, convalescence and other recreational activities. Meanwhile, the USA is the most developed country in the world. It has unique modern cities, and numerous universities with a long history which also attract Chinese citizens to travel to the USA.

3.2 *Rising national income*

From the economic point of view, rising of China's national income supports strong tourist spending in the USA. Since China's reform and opening policy initiated about 40 years ago, disposable income for urban and rural residents keeps increasing with full-scale social and economic developments. According to China National Bureau of Statistics, disposable income per capita for urban residents increased by 10.5 times, at growth rate of 7.4% annually after deducting the price rising from 1978 to 2012. Net income per capita for rural residents increased by 10.8 times, at growth rate of 7.5% annually. In 2015, the disposable income per capita of Chinese residents was \$3328, the disposable income per capita of urban residents was \$4413 and the disposable income per capita of rural residents was \$1730. Rising income has enabled more Chinese residents to afford travelling abroad.

From international experience, before GDP per capita reached \$10,000, overseas consumption shows a high growth trend, with roughly 30–40% growth rate. In 2015, China's GDP per capita was about \$8000 and was in a period of high growth. China's overseas consumption has been growing rapidly in the past five years, and it will continue to grow in the future.

3.3 Changes in tourism visa policy

In the early years, Chinese citizens travelling to the USA mainly could apply for business visas or travel visa as business groups, academic groups, or research group. Since China and the USA signed the travel memorandum in 2007, the USA travel policy has been favourably changed for tourism industry in both countries. Chinese tourists could apply for and use travel visa since then. A big change happened when the USA and China announced to give tourists from each other 10 years of valid visas on November 2014. This policy further simplified the visa applications, and encouraged more tourists to the USA. Recently, the number of Chinese people applying for US non-immigrant visas increased significantly. Thus, the changes of tourist visa policy provided more convenience for the Chinese tourists to travel to the USA. For example, from January to August 2015, Ctrip helped more than 30,000 Chinese tourists to apply for American visa. Compared to the same period in 2014, it increased by more than 100%. The US Embassy in Beijing and Consulate General Office in Shanghai have issued the largest number of visas to Chinese citizens, and US Consulate General Offices in Guangzhou and Chengdu has the fastest growth for visa applications.

3.4 Improved tourism environment

To attract Chinese tourists to visit, the USA continues to improve the tourism friendly environment, including using more Chinese logos, printing Chinese tour guides and offering Chinese food. As an important payment service, many American merchants attracted Chinese tourists by accepting Chinese UnionPay debit/credit cards.

More and more travelling companies start to provide Chinese with custom services. For example, the largest Chinese car rental platform in the USA, 'zuzuche', provides car rental, Chinese language navigation and other related businesses for Chinese tourists. Universal Studios Hollywood and other famous destinations have increased the Chinese tour services. They begin to provide Chinese catering services, and open the official website and microblogging account in Chinese language.

Major airlines in the USA and China have increased their lines and flight frequency. The second-tier and third-tier cities in China have increased non-stop flights to Los Angeles and San Francisco. This helped significantly increase the number of tourists from the second-tier and third-tier cities in China to travel to the USA in 2016. Increasing airlines capacity and flights provide convenience for Chinese tourists, and reduce the cost of their travelling to the USA. National tourism department of the USA has begun to study the Chinese travellers' demand, Chinese cultures and habits and continuously improved the overall satisfaction of Chinese tourists in the USA.

3.5 Enhanced tourism network

On the basis of the unprecedented prosperity of outbound tourism market in China, travelling websites like LY, Woqu, Alibaba–Qua, Quia, Tuniu and Baidu, have succeeded in entering into online travel market by using data search advantages, and building great optional platforms and cyberspaces for Chinese tourists. ‘Xianlvke’ – an online travel agency specialising in outbound travel services, mainly provides destination segmentation service. It can provide more space and more convenient for Chinese outbound travel. Now ‘Xianlvke’ has launched ‘accompany travel online’ services and provides free and one-stop service on pre-tourism counselling, line Q&A and post-evaluation for tourists by using big data and artificial intelligence. ‘Accompany travel online’ services utilises the resource advantage with the tens of thousands of local people and outbound tourists. Users only need to sign up the public service number ‘Xianlvke guide’, so that they can get access to all kind of services at any time, including the visa application, pick-up, drop-off, charter services, booking Chinese tour guides and other special needs.

According to the survey for the self-guided tourists, among them 65% booked and purchased tickets online, 56.5% booked hotels online and 57.7% used the internet to search and complete travel arrangements.

3.6 Solid tourism promotion efforts

In the past several years, the USA Tourism Promotion Bureau have set up offices in Beijing and Shanghai to coordinate with travel agencies, airlines, government agencies, media and other related industries. They also promote American travel destinations and tourism services on Chinese travel booking websites (such as Ctrip, DaoDao and Qunar) and web portals (such as Sohu).

At the same time, American travel agencies promote American attractions and increase their publicity to Chinese people. The tourism promotion departments in many cities have begun to build offices in China. California spends as much as \$ 1.5 million in China market each year. The ten top travel enterprises and institutions in the USA jointly promoted to China in August, 2013. After that, California Tourism Convention and Exhibition Bureau organised more than 10 American travel enterprises to Guangdong in China in October, 2013. In response to China’s 2014 New Year, California Tourism and Convention Bureau held a series of celebrations called “MEGA CHINESE NEW YEAR”. Meantime, they maintained travel cooperation with the seven travel agencies in Guangdong, designed better tourist routes and organised more Chinese citizens to travel to California.

It was the China–USA Tourism Year in 2016. In the year China and the USA focused on collaboration and cooperation with each other in tourism, and both countries carried out more than 100 activities and events, such as mutual visits of 10 thousands of tourists to each other, “China–USA Tourism Year Leadership Summit”, “China–USA Tourism Year Closing Ceremony” and so on. All these efforts on tourism not only boost the economic growth of two countries, but also strengthen multi-understanding for the people of two countries.

4 Potential concerns about the tourism market of Chinese travellers to the USA

Although the market of Chinese citizens travelling to the USA grows rapidly in the past 10 years, there are several concerns over the market in the future. We list them as follows.

4.1 Bilateral relations and tourism policy

Since Donald Trump became the president of the USA, he has launched certain policies that are very unfavourable to tourism markets in the USA. Trump administration intends to tighten the immigration and visa policy of the USA. It seems Chinese citizens for travelling to the USA are vetted more strictly than before. In fact, it is not as easy for Chinese citizens to get US visa as before. Chinese citizens have to go to US Embassy in Beijing or Consulate General Offices in Shanghai, Guangzhou, Chengdu and other cities for an onsite interview with a long waiting hours, and they have to re-register every two years for their 10 years visa.

4.2 Long travel distance and high-cost flight

Distance decay law in tourism tells us that the farther away one destination is, the less likely people travel it. The USA is still a long-distance tourism destination for Chinese citizens, and the cost of tourism is high relatively to nearby destination countries such as Japan and South Korea. In addition, the jet lag issue might naturally hamper a certain number of Chinese citizens to travel to the USA.

4.3 China's slowdown economy and depreciating Chinese currency

In recent years, China's economy has been slowing down with high-leverage debts and potential financial risks. Bearish stock market along with high risk real estate market bubbles brings a lot of uncertainties to China's economy. Although Chinese people have a strong personal willingness for travelling to the, their sluggish income growth has a negative impact on their tourism plan. On the other hand, with the continuous appreciation of the US dollar and the depreciation of the Chinese currency RMB, travelling to the USA becomes even more expensive than before. This will cast clouds over Chinese citizens' travel desire for travelling to the USA.

4.4 Travel safety

Recent media reports on Chinese tourists' travel safety related to travelling in the USA have alarmed prospect Chinese tourists. Non-Chinese traffic sign on the highways and streets, and different traffic and driving policies bring challenges to Chinese people who like self-driving tour in the USA. Robberies purposely against Chinese people have also been reported.

5 Market trend for Chinese citizens travelling to the USA

Since the Sino–US tourism memorandum signed in 2007, the Chinese citizens shows great enthusiasm to travel to the USA. The tourism market will evolve with the changes of tourists' needs and preferences. We summarise the following five trends of the tourism market in the future.

5.1 Expanding tourism market size

Over the past five years, the number of Chinese citizens travelling to the USA grew at a double-digit rate. In the future, the growth might be not so high, but still robust. It means that in the next 5–10 years, the number of Chinese tourists travelling to the USA will continue to increase. According to the market forecasting by the Pacific Asia Travel Association (PATA), China is expected to become the third largest source country in the USA in 2018 (see Table 5). Only 8.54% of 1.37 billion Chinese populations had travelled abroad in 2015. Among them, only 1.89% of Chinese citizens had travelled to the USA. Obviously, a small percentage increase means a lot of more Chinese citizens travelling to the USA because of the huge population base in China.

Table 5 Market shares (%) of the top six source countries for the USA 2014–2020

Market	2014	2015	2016	2017	2018	2019	2020
Canada	30.74	29.89	29.28	28.85	28.47	28.13	27.80
Mexico	23.19	24.42	24.53	24.57	24.61	24.65	24.68
UK	5.31	4.80	4.78	4.63	4.48	4.36	4.27
Japan	4.799	4.53	4.39	4.27	4.18	4.10	4.03
Brazil	3.03	3.27	3.51	3.76	3.88	3.94	3.98
China	2.93	3.38	3.84	4.33	4.84	5.37	5.90

Data Source: Pacific Asia Travel Association

5.2 Diverse tourism products and choices for travelling to the USA

With rich travel abroad experience, Chinese tourists might no longer chase the conventional travel routes, but prefer to choose diverse travelling experience and explore an in-depth American life style. In the past, Chinese tourists may choose to visit 8–9 states within a short period for each state. But, now they would like to go to only 1–3 states and immerse them with local nature beauty and culture every time. This helps them stay a longer time in each state, see more local attractions, talk to local people and taste local food. Chinese tourists might segment the market, and choose one or two segments with their preferences. We believe that leisure tour will become the mainstream for Chinese people in the future. We also believe that thematic tourism is another trend in the future. A variety of thematic tourism products will become a new market driver. They include education tour, family tour, buying house tour, sports tour, self-driving tour and wedding photography tour as explained in more details as follows:

5.2.1 Education tour will be popular

As Chinese national and personal wealth is increasing, more and more parents can afford their children's education in the USA. Before formally applying for an American school, Chinese parents would like to visit the school campus. The travel companies offer education tour which would satisfy such the demand of parents. Education tour destinations might include well-known colleges and universities, or high and middle schools. Summer camps for Chinese students are also popular now. Many travel agencies have launched education tourism products, like the "East Coast Summer Camp", "Kennedy Space Summer Camp" and "American Famous University Summer Camp". These educational-themed tourism products will be more welcomed to Chinese people in the future.

5.2.2 Family tour will continue to expand

According to Trip Barometer Global Travel Economy Report, the demand for family tour had further expanded in China in 2016. Sixty-one percent of Chinese respondents said they plan to increase their travel budgets for their family tour, which suggests that the demand of family tour is expected to continue expanding in China. At present, China's family for such the tour has the income of \$160,000–300,000 per year. Family tour includes survival training in case of a disaster, environmental adoption and protection technology and other demands. The children and their parents would enjoy the training of environmental protection concepts, real CS (Counter-Strike), fencing courses, unmanned aerial vehicles exploration and other activities.

5.2.3 Buying house tour will attract more Chinese

During the economic downturn and real estate market in recession, Chinese bought houses at good prices in different places in the USA. Nowadays, many common Chinese tourists travelling to the USA for the first time might ask the tour guide for local house tour so that they can well prepare for purchase in the next trip. Many Chinese people plan to buy a house as an investment, prepare for immigrants or children studying abroad. Los Angeles is a hot location for Chinese house hunting.

5.2.4 Sport tour will be a sport lovers' favourite choice

The USA is a sport country with great sport facilities. There are a number of sport players, lovers and supporters in the USA. Sport is also a big business in the USA with a lot of sport stars including Chinese sport star Yao Ming. Sport-themed tourism programs have a good market prospect. One profitable joint venture by China and the USA is running very well. Both countries will further cooperate to develop different sports tourism projects in the future. For example, MBA-themed sport tourism program will be welcomed by Chinese sport lovers.

5.2.5 Self-driving tour will be welcomed by young tourists

The newspaper 'World Daily' reports that under the improved the USA travel visa policy to Chinese mainland tourists, self-driving tour have become a new tourism to Chinese tourists, especially to young tourists. Today, more and more young people can speak

English fluently, and are more informed with online information search. They are mostly white-collar middle class with higher incomes, more spare time and rich experience on travel abroad, and they like self-driving tour in the USA. Of course, most of Chinese tourists have to overcome the language, culture and psychological barriers, so that they are more confident in self-driving tour in the USA.

5.2.6 Adult education tour will become hot

More and more Chinese citizens will come and take short-period education training for about 7–10 days in well-known colleges and enterprises in the USA. This specific group of Chinese people include IT staff, corporate managers, professors and government officials. They plan to learn cutting edge knowledge, conduct advanced research and study management skills. They are commonly sponsored by institutions in both countries. Compared to the traditional group tour, this tour has a great potential due to economic integration and globalisation. In addition, because of the high quality medical service in the USA, medical tour has gradually become one of purposes for Chinese citizens travelling to the USA.

5.2.7 Customised tour is becoming a trend

The so-called customised tour is also called a small group with customised tourism plans. It might be designed only for one person. It is tailored according to customer's demand for travel products with reasonable rhythm by selecting the best attractions, accompanying by Chinese drivers and solving any problems for customer in 24 h. It also offers exclusive arrangements, such as to visit the pension agencies, to watch sports events and to investigate the investment environment. Its price is slightly higher than the price for conventional group tour. But it can meet the individual needs of rich tourists. We believe that customised tour will be a favourable choice to Chinese citizens travelling to the USA in the future.

5.3 E-commerce will play more important roles in tourism

Mobile technology and the internet will further change the way of Chinese citizens travelling to the USA. e-Commerce helps tourists select the tourism destination and products online before leaving home. It also assist tourists to search information, book itinerary, buy air tickets, order hotels, check other visitors comments, make raiders and write travel itinerary. Tourists also enjoy seamless docking services in the itinerary. We believe that network booking and online services will be more and more welcomed by Chinese tourists.

5.4 Specialised travel services will be popular

Specialised service will be more and more attractive to Chinese tourists, especially young tourists. Chinese tourists will more like travel agencies with specialised services, problem-solving ability and reasonable route design. High-end young tourists want humanised services and high-quality experience in the luxury hotel. For examples: fresh and elegant aroma products, quality new facilities, soft and warm lighting, bed with moderate hardness good for sleep, beautiful window view and local culture design

in the room. They will need housekeeper services, electronic interactive services and ‘friendly’ front-desk services. They will also care about their privacy without disturbance.

5.5 More rational tourism consumption

As Chinese citizens have significant travelling and spending experiences overseas, they will become more rational on tourism spending and consumptions than before. Correspondently, impulsive and conspicuous consumption will gradually decrease, and travellers will no longer focus on high-end brand products and luxury goods. Tourism consumption will also become broad on sightseeing, sports, shopping, entertainment, education and local events.

6 Discussion and recommendation

China and the USA are the largest two economic entities in terms of GDP scales in the world. Tourism between the two countries will promote both countries’ economic growth, attract visitors from each other, reduce mistrust and boost trust between the two countries, and help build a peaceful world. After the above analysis, we have the following discussions and recommendations:

6.1 Macro-level

As the tourism market for Chinese citizens travelling to the USA has great potentials, such as purchasing power in particular, the US governments at Federal and State levels should put more efforts to realise these potentials. Their efforts might be coordinated to work with China’s Ministry of Tourism to deliver consistent marketing messages with cost savings.

Their promotion efforts should focus on not only the tyre-one cities like Shanghai and Beijing, but also the tyre-two and tyre-three inland cities like Nanjing, Wuhan and Chengdu. Various effective marketing strategies such as the theme-oriented tourism should be carefully planned and implemented. The Sino-US Tourism Year of 2016 was a successful example to promote the tourism markets in two countries.

Rebuild the infrastructures, enrich highway traffic facilities and add more Chinese traffic signs. Take advantages of railway transportations with urban traffics and provide a variety of choices to Chinese tourists. More non-stop flights between the two countries should be offered by both Chinese and American airlines.

For the existing popular tourism sites, some of them need to be improved with more services. The new attractive sites can be developed with new sightseeing, public parks and museums.

Immigration agencies need to further simplify the visa application procedure for Chinese visitors. It means that more immigration office locations and officials might be added in China. More tourism guides fluent in Chinese and English need to be trained with tourism marketing knowledges and skills. These tourism guides are a representative of the American Brand, and their quality work helps satisfy Chinese tourists.

6.2 *Micro-level*

The tourism companies in both countries should work together for better communications, tourism information sharing and new tourism product development.

They also need to study the preferences and demands of Chinese tourists, design tourism routes, development new tourism modules and products, so that various demands and custom needs can be satisfied. For example, they can offer more healthcare-related tourism for the elder tourists, luxury tourism services for the middle-age tourists, and tourism with education and science contents for young people.

To promote loyal travellers, and attract the Chinese citizens for travelling the second and more times to the USA, tourism firms should use a loyalty program including giving them the appropriate incentives, free tickets for tourism attractions, hotel accommodation discounts and concessions.

Online tourism service companies need to coordinate with offline service ones. Online information should be up-to-date, and more travelling instructions are needed for self-guided tourists.

7 **Summary**

Since June 2007, Chinese tourists travelling to the USA for the first time in group tour, the number of Chinese tourists has increased rapidly. The USA has become one of the most important tourism destination countries to Chinese people. Chinese tourists like high-end consumption. Their tourism activities have changed from sightseeing to leisure tour, and the mode of tourism has changed from group tour to self-guided tour. Chinese tourists' primary destinations cover the well-known cities and tourist attractions in the USA. The purposes of Chinese citizens travelling to the USA are diversified, and the tourism structure displays certain new patterns.

Why do Chinese citizens like travelling to the USA? The main reasons are the attractiveness of American nature, the rising income level, changes of tourist visa policy, improvement of tourism environment, enhancement of tourism marketing and others.

However, there are still some potential challenges to the tourism market of Chinese citizens travelling to the USA. The Trump Administration has implemented tight immigration and visa policies. This will discourage more Chinese citizens to travel to the USA. The USA is still a long-distance tourism destination for Chinese tourists with high tourism costs. The pace of China's economic growth began to slow down. The depreciation of Chinese currency RMB will cost Chinese more on travelling to the USA. Personal safety concerns many Chinese prospects.

We discuss the trends of tourism market of Chinese people travelling to the USA in the future. The market will expand with diverse travelling purpose, various tourism service choices, big role of the internet and e-commerce. We also believe that customised and specialised tourism will be welcomed to Chinese consumers. Tourism industry should pay attention to these trends and provides differentiated tourism products and services to Chinese tourists.

Finally, we offer our recommendations on promoting the tourism market at both macro- and micro-levels. We believe that as long as China and the USA work together, the tourism market for Chinese tourists travelling to the USA will be healthy and have a sustainable growth rate.

References

- Feng, K. and Page, S.J. (2000) 'An exploratory study of the tourism, migration-immigration nexus: travel experiences of Chinese residents in New Zealand', *Current Issues in Tourism*, Vol. 3, pp.256–258.
- Lin, Z. (2010) *Analysis and Study on Chinese Citizens to Travel to Korea (2010)*, Dissertation, Tianjin University, pp.40–52.
- Pan, G.W. and Lam, E. (2001) 'Tourism marketing opportunities for Australia in China', *Journal of Vacation Marketing*, Vol. 8, pp.44–46.
- Qu, H. and Lam, S. (1997) 'A travel demand model for main Chinese tourists to Hong Kong', *Tourism Management*, Vol. 18, No. 8, pp.593–597.
- Zeng, Z. and Zhang, D. (2005) 'Study on the characteristics of freeing tourists from mainland China to Macau', *Tourism Tribune*, Vol. 20, No. 3, pp.39–42.
- Zou, J (2008) *Research on Development Trends and Strategies of Tourism Market for Chinese Citizens Traveling to the European*, Dissertation. China Ocean University, pp.13–19.

Notes

¹Data Source: Xinhua News 'Economic Reference' and the "Sino-US Tourism Market Research and China's Cross-border Consumption Index Report (2016)" issued by Visa on 7 September, 2016.

²Data source: Xinhua News 'Economic Reference' and the "Sino-US Tourism Market Research and China's Cross-border Consumption Index Report (2016)" issued by Visa on 7 September, 2016.