

# NORDIC TOURISM MARKET INSIGHT

# CHINA MARKET UPDATE

A discussion on the latest tourism developments in China and future travel intentions for the Nordic and Baltic region, as well as an introduction to the Chinese ETC/ETOA/ EuroPass recovery project for European destinations

#### Invited participants

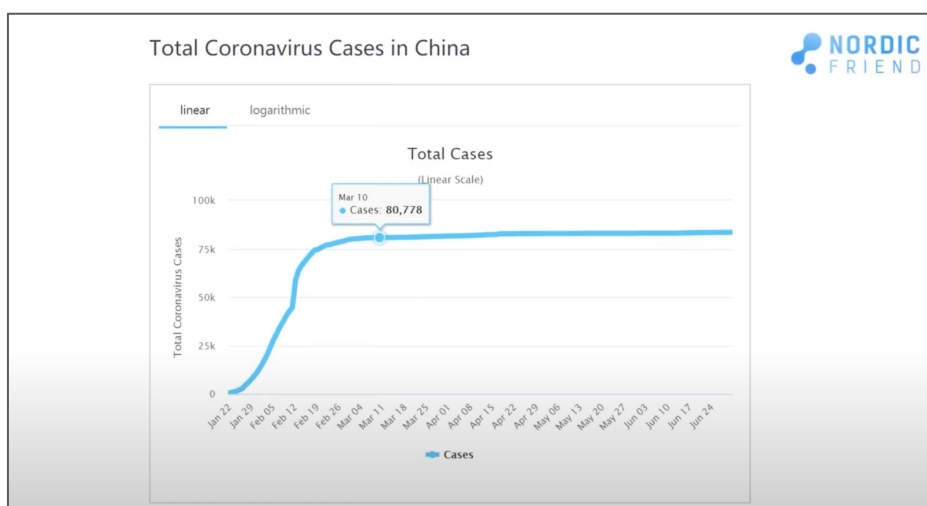
**Rixin Jiang** - CEO, Nordic Friend

**Damien Collignon** - Head of Nordics, Europass

**Xiang Zhang** - Co-Founder, Timetravels

Many people started to get very excited about the prospect of an early Chinese recovery and what that might mean for the remainder of 2020, but now we read of new outbreaks of CV19; has the bubble of optimism burst? What's the situation in China now?

RJ: China had CV19 before anyone else and also led the recovery from March 2020. So now in July domestic tourism has been in full recovery for a few months. All cases of CV19 have stabilised and the few cases now reported have been imported from visitors returning from overseas. In recent weeks there have been reports of a 2nd wave in Beijing but that is restricted to a small district and now strictly controlled.



Currently the borders are closed. There is talk of opening the borders to EU visitors and also talk of allowing Chinese visitors to visit the EU countries. This agreement is reciprocal and can only happen if both parties agree. Flights out of China are still following the 5:1 rule where one Chinese airline is allowed to fly one route to one city in one country on one day only. Other international airlines are opening their routes.

### Updates on Travel Industry NORDIC FRIEND

- Borders closed for foreigners from March 28<sup>th</sup>
- EU border reopen for tourism – China on the list but conditionally
- “Five-one” policy for international flights, with more routes reopened recently
  - ✓ Major Chinese airlines: CA (Stockholm, Copenhagen), MU, CZ, HO (Helsinki), MF
  - ✓ More foreign airlines: E.g. LH (Frankfurt), AF (Paris), VS (London)
- Ban on outbound group travel products sales
- Domestic travel market recovery

The situation is positive but this does not mean Chinese tourists will return to the Nordics this summer. Domestic tourism is recovering well. At the recent Dragon Boat festival 15m visitors travelled domestically over 3 days.

There is also currently a ban on B2B outbound group travel sales. This needs to be considered when talking about re-activation.

DC: Europass is looking at working at 50% capacity with a return to 100% capacity by April 2021. There will be major changes to travelling trends with younger visitors, more FIT and a desire for safety, nature and wellness vacations. All good for the Nordics.



XZ: We are starting to get new enquiries especially from Hong Kong. Finnair has just resumed flights to HK flying 3x per week in Jul and Aug and 5x per week from September onwards.

Have also received enquiries from Kuoni for this winter with added requirements of 2x seats per traveller on the coaches.

The first sector to recover will be FIT. Suppliers are already seeing an increase in enquiries for FIT from Europe and Asia.

But group travel from Asia is a challenge; in Asia wearing a facemask is mandatory - in many areas of Europe it is not. This causes concern and many people are afraid of travelling.



**Now in July the Nordic borders are opening and China is recognised as the most important and dynamic market. Do you expect to see any Chinese travellers in the Nordics this winter or should we write off 2020?**

RJ: As a business traveller myself, I do not expect to need my passport this year. There may be some travellers this year but it will most likely start at Chinese New Year in Feb or Mar. But it is important to consider who might be travelling

**Chinese Outbound Tourists Coming Back** 

- Chinese immigrants, workers and students in Europe
  - ✓ Traveling from China
  - ✓ Traveling within EU
  - ✓ "Models" for the future recovery
  
- Business travelers
  - ✓ State-owned businesses, government delegation and school visits
  - ✓ Other types of companies
  - ✓ "Mutual agreement" or the "bubble"
  
- FIT travelers
  - ✓ Safety, quarantine and testing policy, flights, price, products
  
- Group travelers
  - ✓ Ban lifting from Chinese authority

There are a large number of Chinese living in Europe, using many of the Chinese channels and social apps. Many of these returned to China during CV19 but will be the first to return to Europe - many are students and immigrants.

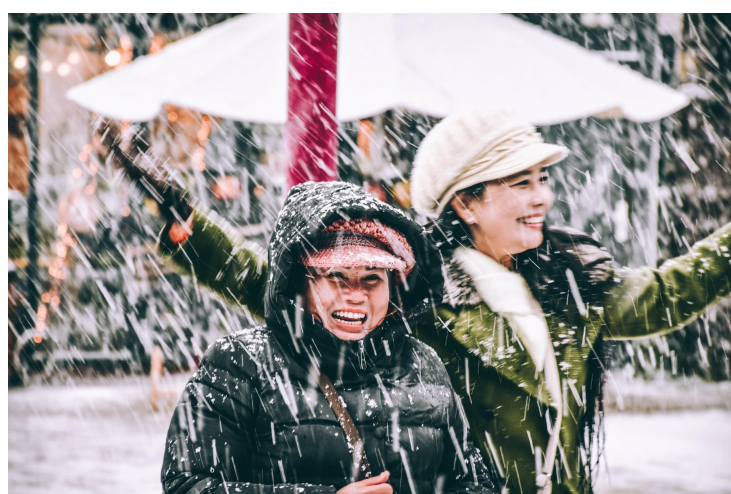
These local Chinese will become models by recommendation and by sharing their experiences. 2020 marks the 70th anniversary of diplomatic relations between China and Denmark/Finland and tve should expect some diplomatic travel. Many state owned educational institutions may however ban early travel and permissions will have to be given before this type of travel resumes. It's possible that we may see a business bubble wirth some countries - this already exists with South Korea and Singapore.

After CV19, the Nordic countries need to consider factors for the FIT market - safety and hygiene will become the top priority alongside flight access and prices

The ban on group travel will come but B2B working should take place now and bookings can be taken before the ban is finally lifted.

XJ: I don't expect to see any visitors before Chinese New Year 2021. My advice however is that suppliers should engage with their B2B accounts now - there is a long chain in preparing programmes for sale which can take upto 4-6 months to get to market.

Start working now!



***FIT travel refers to Visas that specifically allow independent travel where visitors can create their own itineraries. Group travel visas apply to packages that must be bought in their entirety from a tour operator and which apply to the whole group and from which travel may not deviate.***





## CHINESE TOURISM MARKET EUROPEAN RECOVERY PLAN

### CALL FOR APPLICATION



A Campaign 100% Dedicated to Destination Management Organizations (DMOs)

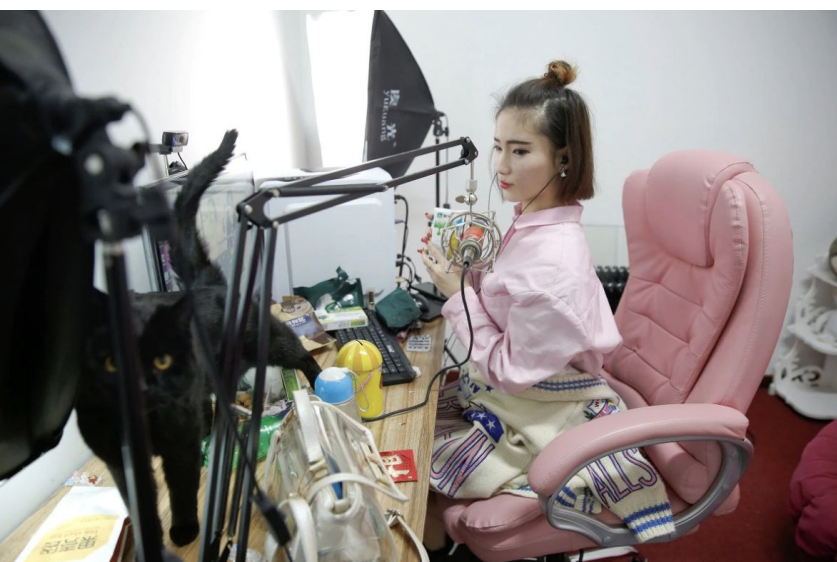
### EUROPASS/ ETC/ ETOA - China recovery campaign

EuroPass, in partnership with the European Travel Commission and the European Tourism Association ETOA, will manage a European recovery plan dedicated to the Chinese outbound tourism market. This project is made possible by the European Travel Commission and is co-funded by the European Union. 20 European destinations will be selected to participate in this campaign which will use KOLs to market European destinations post CV19.

FOR FULL INFORMATION SEE APPENDIX

### How important is it to engage with KOLs when marketing in China?

RJ: Marketing in China is highly visual and the Chinese do follow KOLs for travel advice, especially on long haul travel. There is a phrase in Chinese which means 'planting a seed in your heart'. This is what the KOLs do, they create ideas for future travel through their videos and 'live streaming'. However choosing the best KOLs to work with is very important.



### Can you just explain what you mean by 'live streaming'?

RJ: Live streaming has been a big hit in China since last autumn where people are buying directly from KOLs, celebrities or professional live-streamers. Live streaming has also been adopted by many social media channels and some OTAs too. It also incorporates 'cloud-travelling' where celebrities stream live from a destination. This builds destination awareness for when 'real-travelling' returns.

### So it's a bit like a shopping channel?

RJ: Yes, but everything is changing so quickly, it might be something else next month!



### **How will Chinese travellers be booking in the future, what will they be looking for?**

RJ: This depends very much on the type of traveller, however safety, hygiene and nurture will be very important. More people will travel as FIT or as families or as smaller groups - they will be reluctant to travel with groups of strangers.

XJ: The Chinese will travel as FIT or smaller groups but low-contact travel is important and every travel supplier must focus on digitalisation to deliver contactless travel, increase communication and improve efficiencies. Some of the more traditional companies will soon be gone.

**It will be interesting to see how the group market develops with smaller groups travelling in smaller units - it means the same amount of work for operators for each group but there will be just more of them and hence more work to do! It's clear that the Nordics do have a huge potential with the future Chinese visitor looking for hygiene, safety, open-spaces and nature. The Nordics are in a very positive place looking forward**

Wednesday 01st July 2020



## APPENDIX - ETC/ETOA/ EUROPASS = China campaign



Co-funded by the European Union

ETOA

EUROPEAN TRAVEL COMMISSION

EUROPE  
visiteurope.com

**Wanderlust,  
Wonder Europe**

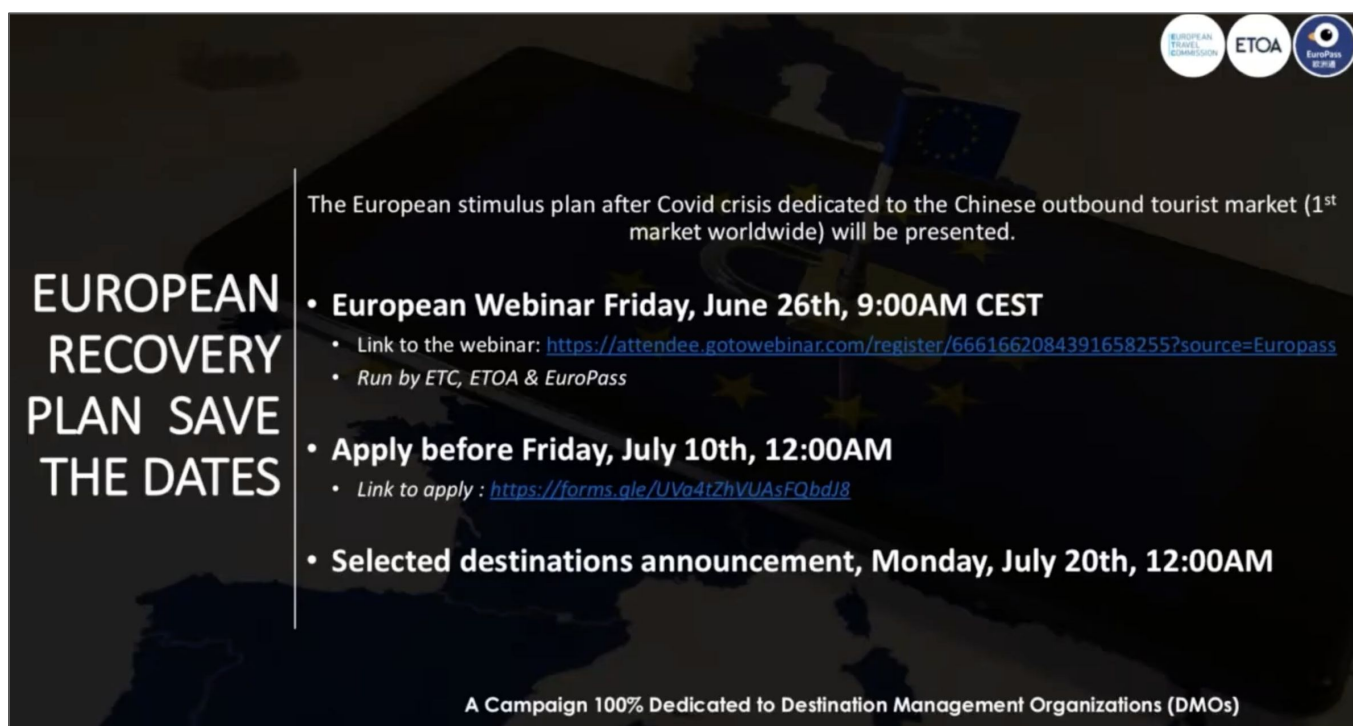
Pan-European Promotional Campaign in China Proposal submitted by EuroPass

**CHINESE TOURISM MARKET  
EUROPEAN RECOVERY PLAN**

**CALL FOR APPLICATION**

**EuroPass  
欧洲通**

A Campaign 100% Dedicated to Destination Management Organizations (DMOs)



EUROPEAN RECOVERY PLAN SAVE THE DATES

The European stimulus plan after Covid crisis dedicated to the Chinese outbound tourist market (1<sup>st</sup> market worldwide) will be presented.

- **European Webinar Friday, June 26th, 9:00AM CEST**
  - Link to the webinar: <https://attendee.gotowebinar.com/register/6661662084391658255?source=Europass>
  - Run by ETC, ETOA & EuroPass
- **Apply before Friday, July 10th, 12:00AM**
  - Link to apply : <https://forms.gle/UVa4tZhVUAsFQbdJ8>
- **Selected destinations announcement, Monday, July 20th, 12:00AM**

A Campaign 100% Dedicated to Destination Management Organizations (DMOs)





## EUROPEAN RECOVERY PLAN KEY POINTS

To assure a quick and efficient recovery of European tourism industry, the European Travel Commission (ETC) and EuroPass are organizing a global campaign dedicated to Chinese tourism market:

- **20 European destinations will be selected** from all the applications received
- **An extensive communication campaign** divided in 2 phases :
  - Sept. 2020 to Dec. 2020 : Digital communication
  - Jan. 2020 to March 2021 : Influencer campaign
- A **branding** campaign that will **drive sales conversions**
- New **innovative tools** implemented in the **Chinese digital ecosystem**
- A **storyboard** adapted to the strategy of each destination
- Submit application **before 10th, July 2020, 12.00am**



## EUROPEAN RECOVERY PLAN HOW?

### Strategy of the campaign

- **Dedicated accounts on Chinese social networks** will be created (WeChat, Weibo, Douyin, Mafengwo...) and linked to the ones of destinations selected for the campaign
- **Private partners**, strongly affected by the crisis, will be invited to join the campaign and boost visibility on their Chinese social networks (airlines, retailers, hotels, attractions...)
- **Competitions** and **lucky draws** will generate the interest of Chinese people and enhance the virality of the campaign
- **Phase 1:** Thanks to the "collective purchasing power", cost sharing, and the network of partners involved in this campaign, a huge **advertising campaign** will be funded across Chinese digital networks
- **Phase 2:** To assure the Chinese public that Europe is now safe 10 major Chinese KOLs will travel to the destinations selected, **share their experience** and help promote them



## APPENDIX - ETC/ETOA/ EUROPASS = China campaign





### AN INNOVATIVE EUROPEAN CAMPAIGN BASED ON CLUSTERS

Each one of the 20 destinations selected for the Campaign will be assigned to one of following Clusters. The Key Opinion Leader (KOL) campaign will then be driven per cluster. Each Cluster will include 4 Destinations.

1. **Art de Vivre: Wine Tourism & Gastronomy** → discover the secrets of the vineyards, local food markets, local farm products and street food
2. **Slow Adventure** → immerse yourself in nature: mountains, lakes, islands, seaside / coastline and European gardens
3. **Unexpected experiences at local level** → Creative cities: street art / URBEX, contemporary art, (traditional) flea markets, live music, pop-ups
4. **Handcraft Experiences / Local designers** → local handcrafts, Tailor Made Promotion, Purchase out of the box...
5. **Wellness tourism to enhance Wellbeing** → travel at your own pace: bath & thermal cities, countryside, stress reduction, sauna, Nordic wellness and week-end wellness retreats


DMOs are welcome to apply for more than one cluster.

ETOA has a proven track record in coordinating EU-China projects as they have been in the last few years leading European projects targeted to the Chinese market where DMOs applicants had to showcase the strengths and specificities of their destinations in order to be participate

ETOA's teams will work with each destination through the promotion of their offer while EuroPass' teams will assure the inter-destination coordination to guarantee

## EUROPEAN RECOVERY PLAN

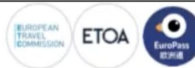
### PLANNING?



June 2020	July 2020	Aug. 2020	Sept. 2020	Dec. 2020	Jan. 2021	Mar. 2021	Mar. 2022
Selection	Content preparation	Phase 1 : Massive online communication campaign			Phase 2 : KOL local report		Monitoring
<p>Selection of the 20 destinations among all candidates.</p> <p>Selection will be done on objective criteria, including:</p> <ul style="list-style-type: none"> <li>- Chinese strategy</li> <li>- Relevance to clusters</li> <li>- Offer for FIT</li> <li>- Sustainability</li> </ul> <p>The size of the DMO will not be a factor.</p>	<p>For two months, EuroPass team will prepare the campaign with each destination. Full assistance will be given to the Destination through this process.</p> <p>We'll define together:</p> <ul style="list-style-type: none"> <li>- Brand to promote</li> <li>- Cluster of the destination</li> <li>- Hotspots visited by KOLs</li> <li>- Content available</li> <li>- Content to create</li> <li>- Itineraries</li> <li>- Local partners to engage</li> </ul>	<p>The first phase of the campaign will focus on informing Chinese tourists that a major campaign throughout all Europe has been triggered.</p> <p>This phase will also be dedicated to communicate on reassuring Chinese tourists as to the health risk and all the measures that are taken to guarantee their wellbeing.</p> <p>A strong focus will be that European countries are happy to welcome Chinese tourists back to Europe. To do so, we will cooperate with local Chinese ambassadors that will regularly feature messages of this kind.</p> <p>Besides sa eries of posts published on the official website and networks of the campaign, each destination, we will benefit from posts on WeChat, ads on Weibo, shared posts by KOLs on WeChat, and also videos per clusters.</p>			<p>Teams of two KOLs will visit each partner destination for 2 days and cover the local thematic and attractions</p> <p>Online profile via millions of page views will be generated per destination, hence feeding the Chinese social networks (where they exist) of each destination and driving the users to book both featured hotels, transport, and attractions.</p>		<p>Monitoring of the campaign including regular reminders, using comments and content already published to reinforce the campaign and support the sales conversion process.</p>







## EUROPEAN RECOVERY PLAN CONDITIONS?

---

Estimated value of the campaign per <b>destination</b>	→ <b>50,000€</b>
Cost of the campaign per Destination thanks to <b>mutualization</b>	→ <b>20,000€</b>
European Travel Commission exceptional <b>contribution</b>	→ <b>10,000€</b>
<b>Investment required by destination selected</b>	→ <b>10,000€</b>

- Due to the exceptional circumstances, ETC will cover 50% of the cost to the participating destination as an unprecedented package
- For an investment of 10,000€, the participants will benefit from a 20,000€ campaign cost, with an estimated value of 50,000€
- 20 European Destination will then be selected after the application process has been completed over June / July 2020
- Due to the limited number of places available, we kindly advise to our interested partner destinations to apply as soon as they can



## EUROPEAN RECOVERY PLAN OBJECTIVES ?

---

- ✓ 500 000 000 page views on Chinese social networks
- ✓ 1 500 000 interactions with the Chinese audience

Mobilized Levers : KOLs, competitions, partners' social networks, ads, medias...

Mobilized platforms : WeChat, Weibo, Douyin, Mafengwo...

Type of contents : Videos, articles, H5, posts, live video show

Categories of posts : Per destination, per cluster, and global

- ✓ 50 000 000€ generated into the European Touristic Economy

Key Levers : Hospitality booking platform, instant ticketing platform for tourist attractions, transportation ticketing platform, duty-free platform.

Key Technology : WeChat Miniprograms



# APPENDIX - ETC/ETOA/ EUROPASS = China campaign

## YOUR CONTACTS

**Nicolas GROELLY**  
EuroPass  
Project Director  
[nicolas@europass.paris](mailto:nicolas@europass.paris)

**Yamin SAADI**  
ETOA  
Market Manager  
[ysaadi@etoa.org](mailto:ysaadi@etoa.org)

**Anna NDIAYE**  
EuroPass  
Project Manager  
[anna@europass-germany.com](mailto:anna@europass-germany.com)

**Xiaoxiao MA**  
EuroPass  
Digital Solutions Manager  
[xiaoxiao@europass.paris](mailto:xiaoxiao@europass.paris)

**Tian TANG**  
EuroPass  
Marketing Manager  
[tian@europass.paris](mailto:tian@europass.paris)

**Tian TANG**  
EuroPass  
Marketing Manager  
[tian@europass.paris](mailto:tian@europass.paris)

**Thibault LEMIERRE**  
EuroPass  
Project Manager  
[thibault@europass.paris](mailto:thibault@europass.paris)

**EUROPEAN TRAVEL COMMISSION** **ETOA** **EuroPass**

**A united team of experts to assist you through the recovery process !**

