

# Chinese Tourism: A Potential Bounty for U.S. Hotels

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Many in the tourism industry recall the inrush of Japanese tourists to the U.S. in the 1990s, a trend that prompted travel, tourism, and lodging entities to market their services in new ways. For example, airlines began to post signs in Japanese, tourism venues printed Japanese-language brochures, and hotels and restaurants introduced elements of Japanese cuisine to cater to the culture and tastes of these new guests. Now the U.S. hospitality industry is seeing a similar tourism trend out of China, and hotels in major destination markets need to take note. The following article features some highlights of the booming trend in Chinese tourism and how hoteliers can position their properties to capitalize.

## Chinese Tourism to the U.S. and the Dominant Growth Trend in California

According to the U.S. Department of Commerce’s Office of Travel and Tourism Industries, 802,000 mainland Chinese residents visited the U.S. in 2010, a 53% increase over levels in 2009. These visitors collectively spent more than \$5 billion (an average of \$6,241 per person), a 39% increase over the previous year <sup>1</sup>. Among the top ten U.S. travel destinations, three are in the state of California.

### Top Ten U.S. Destinations for Chinese Tourists <sup>2</sup>

1	New York City
2	Washington, D.C.
3	Las Vegas
4	San Francisco
5	Niagara Falls
6	Universal Studios Hollywood
7	Hawaii
8	The Grand Canyon
9	Yellowstone
10	Yosemite National Park

According to the California Travel and Tourism Commission, the number of Chinese visitors to California grew by 49% to 399,000 in 2010, spending a total of \$648 million during their travels through the Golden State. After the United Kingdom, Australia, and Japan, China has become the fourth-largest source of foreign tourism in California, with many signs pointing to continued growth in the future.

## How Hotels Can Position Themselves to Benefit

The huge increase of Chinese tourists has already caught the attention of some innovative hoteliers and hotel brands. U.S. hotel chains such as Starwood Hotels & Resorts, Hilton, and Marriott have announced programs designed for Chinese tourists. These include adding popular Chinese dishes to full-service restaurant menus (including a traditional Chinese breakfast), featuring one or more Chinese television stations in the guestrooms, and introducing guestroom amenities such as slippers, tea kettles, and a selection of Chinese teas. Some hotels have also brought on a front desk concierge who speaks fluent Mandarin.

These efforts are a good start and show how seriously some of the top hotel brands are taking the promise of growing demand from China. Here are some more ways in which hotels can make a powerful impression and attract Chinese tourists:

- Be polite and patient when serving Chinese guests and guest inquiries. This is no doubt common policy for front-line hotel staff, though the point bears emphasis. Many Chinese tourists are planning or enjoying their first visit to the U.S. Ensure that staff is prepared to be cordial and helpful when answering questions about

## Summary

Chinese tourism is blossoming in the U.S., growing by more than 50% in just the last year. What can hoteliers and hospitality professionals do to reap the rewards from this demand?

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transportation to the local shopping centers, airport and event shuttle services, and local Chinese restaurants. Personal recommendations and word of mouth are central to Chinese culture, and you can count on Chinese guests passing along their impressions about the attentive service they received at your hotel.

- Attune your hotel's services to strike a chord with Chinese tourists. The expectations of Chinese tourists to the U.S. have grown along with their numbers. According to 2009 and 2010 market profile studies by the Office of Travel and Tourism Industries, shopping is the leisure activity that tops the list for tourists from China. Tourism authorities in Southern California have noted that the travel itineraries designed by local agencies are not keeping pace with the growing sophistication of Chinese tourists, who want more personalized information with respect to popular local outlets and shopping centers, summer camps for their children, and local special events. And therein lies an opportunity for hotels, which are situated to provide personalized information and suggested itineraries for guests that will help them fulfill their vacation dreams and create a great reputation for the hotel.
- Feature Chinese-language navigation from your hotel's homepage. While large groups may utilize the services of a travel agency, most individual Chinese tourists and families book their hotel rooms by themselves. The Internet therefore becomes the primary source of information when selecting a hotel, and a Chinese-language feature on your website will help your hotel stand out. An introduction to the hotel, along with salient information like rates, location, and amenities, is like opening the door and rolling out the red carpet, increasing the likelihood that Chinese tourists browsing the Web for hotels will book rooms at yours.
- Hire or train a Chinese-English bilingual sales manager or sales assistant. A lead salesperson who speaks Cantonese, Mandarin, and English and who knows Chinese culture will be better able to build a solid relationship with travel agencies focused on China. This connection provides a great asset to your hotel with respect to capturing demand, and a multi-lingual salesperson can also assist with catering to the wishes of Chinese travelers, as touched on above. This applies to visitors across the travel spectrum, from individuals to families and from leisure to commercial travel segments.

## Conclusion

Chinese tourism to the U.S. in 2012 and 2013 is forecast to rise by 21% and 19%, respectively<sup>3</sup>. Those are big numbers, and hotels in major markets across the nation stand to benefit. The ability to market a hotel as a source of comfort and convenience to Chinese guests puts the property at a competitive advantage. If you operate or have an investment in a hotel near any of the top ten destinations listed above—or, indeed, beyond, as Chinese familiarity with the U.S. is expanding and with it the desire to see more of the country—this guidance can pay dividends.

<sup>1</sup> **2010 Market Profile: China**

<sup>2</sup> **Top Ten U.S. Destinations for Chinese Tourists**

<sup>3</sup> **Forecast of International Travelers to the United State by Top Original Countries**

### About Li Chen



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