

Tourism Research Summary Report
Chinese Outbound Market and New Zealand's Destination Image

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INTRODUCTION

Tourism plays an essential role in New Zealand's growth in different domains, especially in economic sectors through employment, foreign exchange earning and other infrastructure development. China, as a powerful nation in Asia, has become an emerging market for its outbound tourism, due to its economic growth, the relaxation of government restriction on outbound traveling and improved living standard among Chinese citizens. The World Tourism Organization (2000) has estimated the number of Chinese Outbound travelers to reach approximately 100 million, being the fourth of the tourist-generating countries by 2020. China is now the fifth market for New Zealand, providing about 100,000 visitor arrivals during the twelve months ending in June 2004 (Tourism New Zealand, 2004). However, comparing to China's 20 million outbound tourists per year, New Zealand is only taking a minor share.

To further market New Zealand to China, a good understanding of the market is essential. The concept destination image is a key component of destination marketing (Calantone & Mazanec, 1991). During the last decades, research on Chinese outbound tourism has been increasingly popular (Pan & Laws, 2001; Ryan & Mo, 2001; Scandinavian Tourist Board, 2004; Canadian Tourism Commission, 2004; Beeken, 2003; Hawaii Tourism Authority, 2003; Visit Britain, 2003; Australia Tourist Commission, 2004; Yu & Weiler, 2001). Previous studies on Chinese outbound tourism have developed some basic and superficial understanding of Chinese tourists' characteristics, preferences and behaviors, however, destination image and influential factors have not yet been explored in a sub-national context. Furthermore, within the existing body of literature, the China outbound market has been seen and treated as a homogeneous consumer segment, and the question of whether there are differences existing between regions and sub-markets in China has not drawn much attentions in academic tourism research. Therefore, this research was aiming to fill the gaps in the existing literature by exploring the dynamics of outbound tourism phenomenon in China, especially the regional differences between Northern and Southern China, in this case Beijing and Guangdong, on two themes of destination image:

information factors and cultural factors.

RESEARCH METHODOLOGY

Given the background of this research, grounded theory was considered to be the most suitable methodology for exploring the various factors that may influence individuals when choosing New Zealand in relation to information factors and cultural factors. Interviews with tourists from both markets, as well as professional tour guides who has been guiding both markets, was used for data collection, as so to facilitate a more in-depth analysis of China's outbound market. Theoretical sampling was mainly used for selecting research samples, as this type of sampling method can identify the main issues and relevant factors as well as identifying and revealing other important research areas. There were thirty tourists from each market and twenty tour guides being interviewed through May to August 2005 as themes and questions evolved and occurred. Interviews with tourists were conducted in major hotels in Rotorua and in Rotorua's leading attraction, Agrodome. Data collected through interviews were coded for later analysis based on different categories and sub-groups, and theories are generated and concluded from patterns and findings.

FINDINGS & RECOMMENDATIONS

The significance of this study's findings exists in their marketing implications. The findings indicate that the most appropriate marketing objectives in a tourist generating area (ie China in this case) appear to be three-fold. First, the creation of a positive image of the destination at the initial stage in tourists' home country is very important, which can encourage people's decision to purchase travel; secondly, information source and cultural factors have different functions in pre-visit and during-visit stages, which should be taken into consideration when doing marketing strategies; thirdly, the concept of culture can also refer to regional level than to country level, therefore, in-depth understanding of cultural values and segmentations based on cultures are necessary.

- **More image, more willingness to travel**

Most of the tourists from Beijing and Guangdong agreed on the importance of creating a

positive destination image in China, which would increase their intention and motivation to travel to New Zealand. The importance of pre-visit image is not influenced by sub-regional culture (Beijing and Guangdong in this case) which can be treated as a general theory applied to different countries and cultures. Based on the fact that tourists usually have a limited knowledge of tourist destinations they have not previously visited, image fulfils an important function insofar as destinations with strong, positive, discriminatory and recognizable images have more probability of being chosen by the tourists (Beerli & Martin, 2003). Findings show that New Zealand's current destination image is very vague and has always been overwhelmed by Australia's deep impression. This is due to the limited amount of information available about New Zealand that Chinese can find, which contrasts with Australia's heavy promotion in China. The more information provided by a destination and made available for tourists, the stronger the impression travelers have for that destination. Positive imagery portrayed to tourists complements a willingness to travel. It is recommended that New Zealand provides a variety of advertisements in a number of places, in order to reach a wider coverage in the region. The more people see things about New Zealand, the greater the image they have in their mind, and finally this leads to increased traveling interest and willingness to visit New Zealand.

- **Different markets, different channels and different images**

Although both tourists from Beijing and Guangdong will search for information using variety of channels before traveling overseas, each market has its preferred information channel. Based on the findings from interviews, Beijing tourists indicate they trust the destination's official website, newspapers, "real-life discovery programmes" and documentary books. In turn, Guangdong tourists are most in favor of using "word of mouth" information from colleagues, friends, and relatives. Both markets prefer non-tourist focused images, which is what Gunn called "organic" image, or person-determined image according to Stabler (1988). For the Beijing market, newspapers, such as "Beijing Daily" "Beijing News" "Beijing Times" are popular papers that are widely read. These could therefore be used to disseminate information about New Zealand. New Zealand's key features such as Maori culture, blue sky and beautiful scenery are the most important priorities Tourism New Zealand should focus on for its promotion in China. It

is also recommended that geographical, cultural, historical, political environment of New Zealand could reach Beijing people by TV, especially the market-consumer related reports, as well as news and documentary programmes. For the Guangdong market, promotion and marketing of New Zealand is recommended to continue focusing on the people, the positive word-of-mouth recommendations, as well as the authenticity and realness of the commercials. Apart from the word-of-mouth information, travel books and the official Internet website for the destination are also ranked highly trustworthy. Therefore, Tourism New Zealand could up-date its websites with more tourist information, covering all aspects of New Zealand, this would include having a Chinese version of the website. This would help tourists trying to understand real life in New Zealand and would add to truthfulness of the information they are getting from the websites.

- **“Nature purity” is New Zealand’s selling point**

Although visitors have different value systems and interests, which influence their impressions about New Zealand, certain interpretations emerge almost universally, that is the value system that assigns virtue to rural and natural environments as opposed to negative ratings of urban settings – this prevails cross-culturally. This finding corresponds to Atelejvec’s (2001) findings on different nationalities and New Zealand’s image. The findings from interviews among Chinese tourists confirmed that New Zealand’s biggest competitive advantage is its beauty of nature. Both Beijing and Guangdong tourists were very impressed by New Zealand’s natural environment and how well it is maintained. Respondents commonly considered New Zealand to be ‘clean, green, fresh, peaceful’ and ‘unpolluted, natural, beautiful landscape’ as well as having ‘friendly people, low population’. These comments reflect two layers of meaning: people from Beijing and Guangdong live in highly populated urban areas have difficulty in finding open space, and the dream for freedom, and finding unpolluted nature are key motivations for them coming to New Zealand - they are coming for things they cannot see or experience in their hometowns. Another layer of meaning consistently emerged, which is the fear of environmental destruction and deepened social alienation caused by urbanization and industrialization. The finding from this research reconfirms that New

Zealand's pure and clean image has been appreciated by not only different sub-markets in China, but will also become attractive to those countries with growing materialization and industrialization, such as India, where people are scared of losing their original natural environment. With natural beauty and environmental quality, New Zealand will provide a more competitive and distinctive image. New Zealand could use its resource to develop some theme tours, such as "breathe pure air" and "natural sanatorium", attracting rich people who want to get away from the pollution, noise and artificial world, enjoying the last "100% pure land" in the world, not only for leisure, but most importantly for a body treatment to enhance health and resistance to illness. This type of tour can take up a longer period of time, made up by a range of treatments, such as beach activities, therapies, massage, spas, with healthy food and activity arrangements. To promote this, Tourism New Zealand (TNZ) could provide more information about the importance of air quality, the negative impact of pollutions on human body. This will be a distinctive feature of New Zealand, as well as a competitive advantage among other destinations. Images promoted in this market should focus on "relaxation" "healthy" "pure nature", as most of the Guangdong tourists are coming to New Zealand to escape from stress and get closer to nature.

- **Cultural factors influence shopping behaviors**

Research findings shows that GD tourists prefer deer products but do not like sheep skins or wool products; BJ tourists prefer buying wool products, such as wool duvets, wool cushions, sheep skins as well as wool jerseys. Most GD tourists like buying New Zealand's cosmetics made from native ingredients, such as lanolin, placenta, collagen creams, and mud masks. BJ tourists normally buy health products, such as propolis, honey and royal jelly. Moreover, Beijing tourists are more interested in buying Maori carvings and paua products. Both markets are very concerned about where the souvenirs are made, trying to avoid anything made in China. Brand is very important for both markets, as a way of showing values and social status. However, neither Beijing nor Guangdong markets have a clear knowledge about New Zealand's brands, especially the good brands for souvenirs, such as Lanolin brand for cosmetics, Pure Source brand for masks, Bowen brand for sheepskin, Comvita brand for honey and healthy products.

Therefore, providing information about the representative products based on consumer needs in different markets would provide tourists a better understanding of the product as well as the destination. This kind of information could be provided through websites, travel books, travel agent brochures, along with other attractions to increase New Zealand's positive images.

- **Familiarization still plays an important role for Chinese market**

Although Chinese tourists have different opinions on several products and issues, there seems to be two things in common for all Chinese when travel overseas, those are the requirements for Chinese food and Chinese speaking guide. For Chinese tourists, food is one of the most important things in life, and the quality of food is considered as one of essential factors to achieve satisfaction. Research findings proved that familiarity with a destination has appeared to be a significant determinant of destination image, which corresponds to previous research on the relationship between destination image and familiarity concept (Hu & Ritchie, 1993; Milman & Pizam, 1995). This implies that in order to create a good image of New Zealand, and a successful impression while Chinese tourists are traveling in New Zealand, provision of good Chinese cuisine as well as trained Chinese speaking guides are necessary and important, in terms of increasing their level of cultural familiarity. This does not only apply to China, but to Western countries as well, and based on previous research, destination image will become more and more attractive if tourists become more and more culturally familiar with the destination through food, language and other activities. Therefore, provision of Chinese languages signs in accommodation, information brochures, attractions and restaurants will result in Chinese tourists increased level of security and familiarization within a destination, which will ultimately enhance their positive image about the destination. In hotels with a large number of Chinese visitors, a Chinese version of the information about hotel facilities and services would be appreciated and helpful for Chinese tourists, along with Chinese-speaking staff working in the reception area for inquiries and problem-solving.

- **Different travel itineraries are necessary**

In terms of tour arrangements, it is recommended to include a one-day theme tour of “New Zealand Culture” in Rotorua, this tour could start with a Western breakfast in the morning, and visit the Maori Art and Craft Institute (Te Puia), to visit the actual Maori villages and carvings. Lunch could be arranged in a local lunch bar, tourists could have typical New Zealand sandwiches and soup. Tourists can be taken to the buried village, where Beijing people could visit the historical village that was destroyed through 1886 Mt. Taraware Eruption. Professional guides in this attraction could provide Beijing tourists with more information about the local history, ancient Maori lifestyle as well as the eruptions; and Maori hangi and concert can be followed by dinner. This whole day experience of New Zealand’s Maori culture will fulfill Beijing tourists’ knowledge-gaining desires, as well as their curiosities about Maori culture and history.

Guangdong tourists prefer flexible and relaxed tour experience, instead of rushing to a number of attractions, they like going to attractions with relaxing atmosphere, with no pressure and stress. They are also interested in experiencing everything about New Zealand, and are willing to try something new and special, which cannot be found in Guangdong. Therefore, a theme tour “Kiwi experience” or an afternoon with Kiwi family would be a good change and treat for Guangdong tourists, to experience the cooking style, gardening, architecture, and interior design of New Zealand people, which can fulfill their curiosity about this unfamiliar destination.

- **Improve post-visit images**

According to Gunn (1988), tourist will only consider visiting a destination if they perceive the image positively. One way to promote visuals is through advertising, which is considered of paramount importance in successfully creating and communicating an image of a destination. Pictorial stimuli are better recalled and affect both positive and negative brand product beliefs and attitudes (Edell & Staelin, 1983). Tooke and Baker (1996) suggested that repeated viewing reinforces the initial effect, enhancing interest in the destination. Therefore, in order to strengthen tourists’ image of New Zealand, as well

as providing some new images for those people who have not been to New Zealand, it is recommend that activities related to visuals and pictorial stimuli could be conducted in both markets.

A photo/ picture competition could be arranged by Tourism New Zealand China Office starting from one major city such as Beijing, and then spread into other markets, such as Shanghai and Guangdong. Travel agents will inform their tourists they can send their selected pictures and photos taken in New Zealand to enter a competition, where several winners will be chosen every month with awards, such as a trip to New Zealand, New Zealand souvenirs, or free accommodation in New Zealand and so on. This type of activity will enhance tourists' enthusiasm to catch the most beautiful and remarkable features while in New Zealand, will also be motivated to go to New Zealand. All the photos could then be arranged into brochures and categories, sent to fashion magazines, travel books, newspaper and prints, to also draw attention among the mass consumer groups. Because all the pictures are taken by the tourists, there is no commercial element involved in, therefore, people would mostly trust them at the same time gaining more positive image about New Zealand.

If pictures and photos can provide tourists with visual image, written articles can add more in-depth and more specific and concrete image about New Zealand. Therefore, Tourism New Zealand could also contact newspaper and radio stations to hold this type of competition with similar prizes as previous stated in the picture competition. Tourists' could inform newspapers and radio stations about their experience in New Zealand and the best article could be selected with provision of incentives. Selected articles could be printed in the relevant newspaper sections, could also be read on some radio channels, in order to increase people's awareness of New Zealand, therefore, creating more positive image about the destination. This activity could be trialed in Beijing first, as people in this market are in general more educated with higher culture appreciation, as well as higher level of participation.

6.7 RECOMMENDATIONS FOR FUTURE RESEARCH

So far there has been very little research in destination image based on sub-regional markets, and very few studies on this particular topic has ever used grounded theory as methodology. This study has made an important start, but there is long way to go. Firstly, with regard to issues of methodology, the purpose of this research was primarily to identify if there are similarities and differences existing between sub-markets, rather than measuring them on a scale. To extend the use of these results in a wider area it is recommended to apply more quantitative methods in future research. Increasing the sample population and adopting random sampling will test all the similarities and differences statistically. Secondly, it is recommended that further exploration of tourists from other regions, and further breaking down the segments would also be useful to advance the knowledge of differences in travel behaviors. Thirdly, this research ignored some of the other factors, such as the type of travel, education and age factors of the tourists; it is recommended that further research could also take these factors into consideration, which will enhance a better understanding of the Chinese market. Fourthly, destination image is a process, ranging from pre-visit, in-destination and post-visit images, therefore, the ideal research in the future will be an ongoing project, where interviews will occur both in China before the trip, in New Zealand during the trip and in China again after the trip, to get a more thorough and in-depth result. Finally, this kind of research could be expanded to other markets, both Asian and European markets, in order to achieve a thorough picture of some emerging markets for New Zealand.

CONCLUSION

The growth of the Chinese outbound market in the tourism field has been very remarkable to the world during the last two decades, and the New Zealand tourism industry is no exception. As China's outbound market is predicted to be the top source country in terms of providing the most overseas tourist numbers, there is a great potential for further development, and it is necessary and important for New Zealand to conduct more in-depth research to analyze this market to further attract and expand its market share. Therefore, having a good understanding of this market, and the needs, and

preferences of tourists are essential in satisfying tourists and enhancing tourists experience, which in turn will create a good destination image among other Chinese tourists to boost further development of New Zealand's tourism industry.

Information source has been considered one of the most influential factors in tourists' destination image formation process, which has been illustrated/proven by both empirical studies and academic research (Gartner, 1993; Alhemoud & Armstrong, 1996). However, for the Chinese market, cultural influences are also important causing different travel behaviors and reactions. Beijing and Guangdong as two representative markets for North and South China, have always been treated as homogenous markets, however, this study confirmed that differences in the perceived New Zealand image do exist between regions due to information source and cultural factors, which has not been recognized and researched previously. Realizing the heterogeneous market nature of China, and the importance of cultural factors in destination image, can assist a destination to promote itself more specifically to a target market. There is no doubt that New Zealand will create a world class image in China as well as securing and conserving a long time future through doing this.

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