

Hospitality for Chinese tourism at Dutch Museums - 2018

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Introduction

Chinese tourism is growing fast and the type of tourist is changing. That is why The Art Connector finds it important that all Dutch museums are attractive to Chinese tourists.

This whitepaper draws on news, regional tourism reports and other market research to reflect on the Chinese outbound tourists in the very recent years, and tries to look ahead with the Dutch museums at the future prospects and trend. It is our hope this whitepaper will be useful for those Dutch museums that are in search of more dynamic and innovative means to meet the needs and desires of the ever emerging Chinese tourists to visit The Netherlands.

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1. Market overview

1.1 Growth

With the size of economically affluent population getting bigger, more and more Chinese are choosing overseas destinations to spend their vacation. According to China National Tourism Administration, year 2016 and 2017 witnessed 122 million and 131 million cross-border travels from the Chinese tourists, the market was up by 4.3% and by 7% year on year for the past two years.

Different destinations might either cheer up or tear down to learn that Chinese outbound tourists showed increasing interests in long distance destinations and declining interests to revisit familiar countries. Europe is one of the biggest winner. 10 million outbound travels were made to Europe in 2016, 25% up from 2015. It is estimated in the next 5 years, an annual growth rate of 9.3% will be achieved. In the same year, total visits to Japan and South Korea were down by 5% and 24% respectively.

The majority of tourists to Europe are first time visitors, therefore we see classic destinations like France, Germany, UK and Italy dominating the top of the most-visited country list (figure 1), however Scandinavian countries and east European countries are also gaining increasing interests. On the city level, Amsterdam ranks at No. 8 together with Munich and Zurich in the wish list of the top 10 European cities. The list also includes Paris, London, Athens, Vienna, Berlin, Milan and Rome.

The number of nights Chinese tourists spent in Dutch hotels surged with double digits growth for quite some years, with the exception of 2016 due to a series of terrorist attacks in Europe. According to NBTC, this number reached 365 thousand room nights in 2017, a yearly increase of 23%. 97% increase with Ctrip booking.



1.2 GIT, FIT & Customized tours

China Tourism Academy and Ctrip (the biggest online tourism company in China) released *Outbound tourism big data report 2017*. The report shows that the Chinese outbound tourism presented new characteristics of “upgrade in consumption and quality in trips”. Another survey done by Hotels.com shows that for the first time in 6 years, shopping does not remain the main reason for the Chinese tourists to travel abroad. Chinese tourists now look for journeys enriched with explorations, leisure, cultures and wellness, they want to enjoy the high quality of life and excellence of service during their trips in the overseas destinations.

GIT (group inclusive tours) is still the first choice of the Chinese tourists, but FIT (free independent travelers) and customized tours are becoming inevitable trends. In the year of 2017, GIT, FIT and customized tours account for 44%, 42% and 14% respectively in the total outbound travels.

The most noticeable section is in the customized products that can enable deep travels into the destinations and their cultures. The booking of customized products on Ctrip increased 220% in 2017 compared to the previous year.

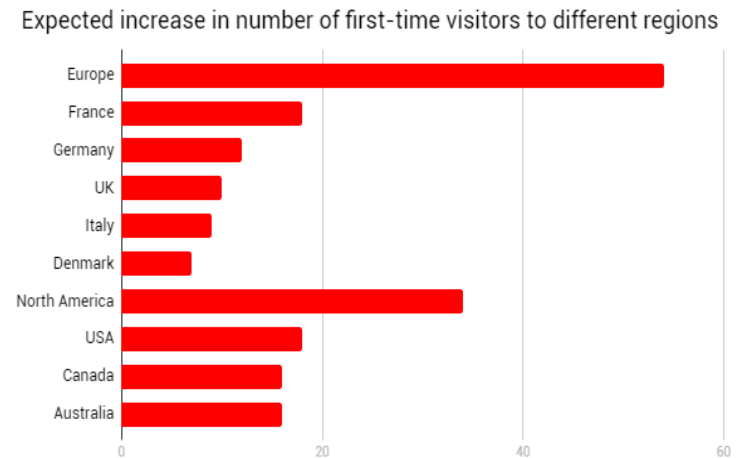


Figure 1



2. Key findings and opportunities

2.1 Deep travel

In a survey done by Hotels.com, Europe exhibits high popularity among the destinations that Chinese tourists are willing to visit in the next 12 months. Although first time visitors are still very loyal to the iconic landmarks and sites, the proportion of first time visitors is declining in the recent years. More and more travelers in the categories of FIT and customized tours are showing great interests in deep travels to embrace new cultural experiences in the less-known destinations, with some of them particularly fond of deep travelling in a single country.

The Hotels.com survey shows 93% of the Chinese outbound tourists don't want to travel to repeated destinations. Figure 2 lists the key factors when they choose overseas travel destinations and tourism attractions for the next trip. Chinese tourists have great security awareness and they claim theft rate is relatively high in Europe.

Other than this, we see cost is far less important than emotional connections and unique experience in their travel, stay and sightseeing activities.

The destination decision factors across different age groups are becoming blurry. The “adult children travelling with parents” increased to 10% of total traveler profiles, this phenomenon largely enables post-50s and post-60s generations, who have more barriers in language and technology, to go for deep travels independently with their children's companion. The most common traveler profile is “families with young kids”, which accounts for 30% of total tours. 2017 witnessed these travelers showing enormous enthusiasm in natural attractions and theme parks. The data shows that among the top 10 popular booked experiences, aurora sightseeing in Finland, noble family life in Downton Abbey, ice and fire experience in Iceland are from Europe and they are either nature or cultural IP related.



It is therefore important for the Dutch museums to work with guides and operators to add new experiences especially those can combine classic museum tours and other local experiences, such as cruises, beer tasting, food tours, tulip tours, or winter sports. A great example can be “Jewish Quarter Anna Frank walking tour in Amsterdam”. Museums can also create experience products based on their own IP if finance allows. This is in line with the NBTC HollandCity Strategy to fabricate storylines of various attractions with a common theme. Take an example, most tourists interested in Van Gogh tend to visit the Van Gogh museum in Amsterdam, but the Arnhem region and its Kröller-Müller Museum can enhance their trip, as can a visit to Brabant, where the famous painter was born and raised.

44% of the Chinese tourists come in families with a kid older than 2 years. NBTC announced its 2018 theme for the Chinese tourism market: “The Netherlands - First choice for families with children” and hired Chinese TV actress Ms.

Haiqing as NTBC Ambassador. It is a great opportunity for museums like NEMO, as well as others, to consider offering more kids friendly facilities and interactive educational programs to engage more Chinese tourists.

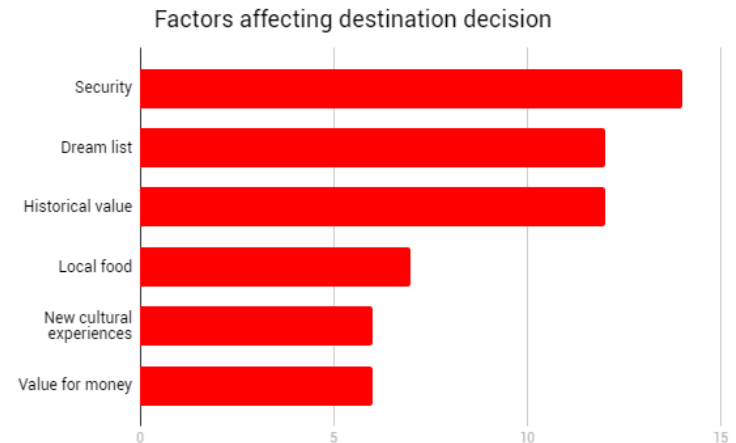


Figure 2



Figure 3

Genre	Detail oriented travellers	Hedonists	Casual travellers	Pragmatists	Explorers
Percent	30%	9%	17%	30%	14%
Age	Post-90s Post-70s	Post-80s from 1, 2 tier cities	Post-80s	Post-70s from 3, 4 tier cities	Post-80s Post-90s from 1 tier cities
Annual income (USD)	13.944	13.010	11.611	12.491	14.234
Daily expense (USD)	484	522	435	407	473

Figure 4

Generation	Post-60s	Post-70s	Post-80s	Post-90s
Percentage in annual income	29%	27%	27%	35%
Increase from 2015	3%	7%	7%	8%



2.2 Spending money

The International Association of Tour Managers shows Chinese tourists spent USD 261.1 billion in overseas travels in 2016, ranking first worldwide. The average expenditure in overseas travels reaches USD 3,623 annually per person, which equivalent to more than 25% of their annual income. Figure 3 and 4 indicate that post-90s are more willing to spend money on travels, while post-70s, 80s and 90s from 1 tier and 2 tier cities actually spend more money during the trips.

The daily consumption averages \$315 among the Chinese outbound travelers. What does this money end up? Figure 5 can help you get some answers. We see that shopping desire decreased sharply. At the same time, It is expected that dining and entertainment expenditure will increase by 50% in the next 5 years.

This suggests that apart from souvenir shops, the Dutch museums can look to increase hospitality quality and choices, as well as to add entertainment programs in achieving growth in earned revenue from the Chinese tourists.

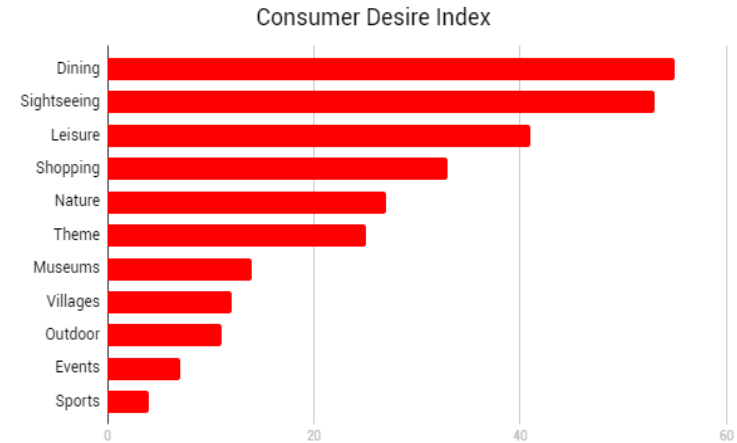


Figure 5



2.3 Tech savvy Chinese tourists

The Chinese outbound tourists turn to be very tech savvy before, during and after their trips. They spend about 12 days in searching information online and planning the trip. Figure 6 lists the most used planning and booking channels. The most searched words are Island, Gourmet, Nature Exploration, Outdoor Sports, Family & Kids, Five Star Hotels, Summer & Winter Resorts, Urban Leisure, Deep Travel and Wellness Resorts. It is important that the Dutch museums can identify their relevant uniqueness and manage their search engine marketing accordingly.

Many communication tools and services are built up to inform, guide and inspire the Chinese tourists during their journeys in Europe. Chinese tourists tend to use the popular app WeChat as often as they do at home. Many European destinations started mini programs on WeChat to develop contents on attractions, restaurants, transportation, shopping, et cetera, hoping to better respond to the rapid digital developments in the Chinese tourist market.

We see huge demand arises regarding the services during stay. Apps like WeChat or Wei Guide launched by Ctrip can provide real-time services covering topics such as transportation, tourism attractions, food, shopping, currency exchange, hotel, luggage, lost and found, etc. Wei Guide users on Ctrip reached 10 million in 2017 and are still increasing rapidly.

Chinese tourists share and review their travel experience frequently on domestic social media and review sites. Besides the famous WeChat, the Dutch museums are often not familiar with other major platforms (perhaps except some big ones). In the Dutch tourism sector, airline and railway companies, hotels, discount retail resorts, diamond retail have accomplished a great deal of cooperation in this aspect. It is therefore meaningful to learn from their accumulated experience and whether those peers made a financial equation from the investment in these digital communication tools and booking partners in the Chinese market.



2.4 Recognizable infrastructure

The biggest frustrations for the Chinese tourists to travel in Europe are language barriers and limited payment options.

Dutch museums have a history of catering adaptive offerings to meet the needs of global tourists. It is of increasing importance to create a recognizable infrastructure for the Chinese tourists in which they find the museum visiting experience more comfortable and enjoyable.

When visiting a Dutch museum, the Chinese tourists would expect websites and exhibition floor plans in the Chinese language; Chinese speaking staffs that can answer all sorts of questions and provide guide to local transportation connections. Van Gogh Museum, Rijksmuseum and Mauritshuis have all launched a Chinese website and provide Mandarin audio guides.

Figure 7 presents the major payment methods the Chinese tourists are using today. The Dutch museums are often not providing their familiar payment options. The restaurant sector has the same problem whereas most of the (high-end) retail business opted for an early adoption to Union and Alipay.

Wifi and food are lesser annoying but still very important elements in a recognizable infrastructure. Almost all the Dutch museums, big or small, provides free wifi to the museum visitors. This enables the Chinese tourists who are very fond of real-time moments sharing on social media to take away memories. However, no photo policies in some museums have been frequently complained about. It is such a pity to go home without a selfie with the masterpiece!

For the Chinese tourists, it is ideal to have Chinese (or other alternative Asian) food options in museum restaurant or Cafes, however if that is not an achievable target, at least do prepare some hot water and tea supply.



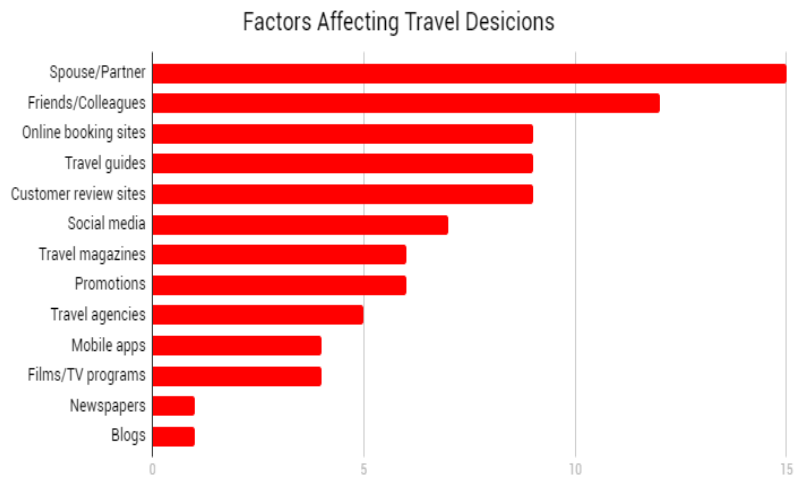


Figure 6

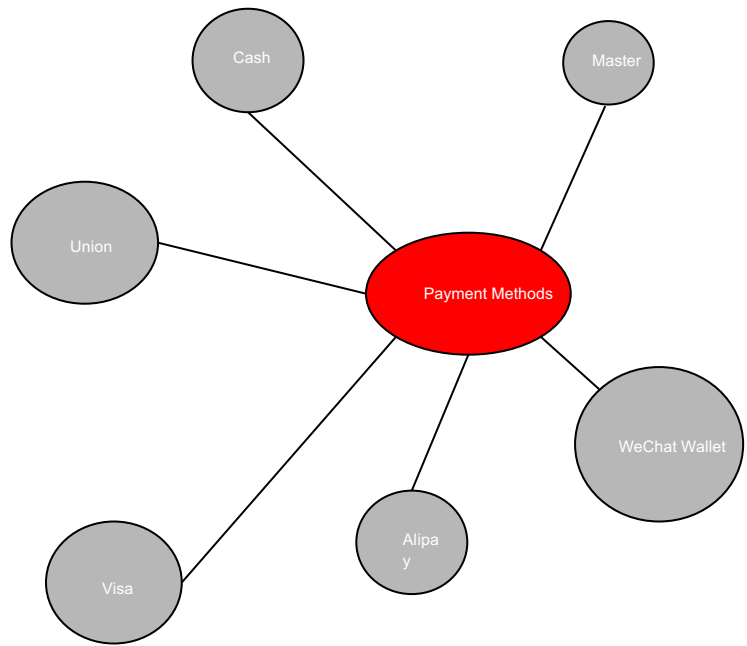


Figure 7



Here below we collected how the Chinese tourists respond to their visiting experience at Van Gogh Museum (the most visited by Chinese). The comments are based on 352 reviews from Ctrip users and 569 reviews from Qyer users. By reading these greatly help the Dutch museums to understand what they have already done, and where there is still space for improvements. Please be noted that some of the comments date from 10 years ago, and in the meantime the museum already improved its services.

REACH

Website →

- Chinese website does not offer same amount of information as English website

Booking →

- Available on Chinese booking websites
- Booking available on museum website
- Booking cannot be cancelled
- Sometimes online booking has a bug and does not send E-tickets to email address from qq.com

- No on-site ticket box anymore
- Sometimes cannot book the same day or next day visit

ENGAGE

Welcome →

- Free cloak room service

Time →

- Good to offer late opening on Fridays
- Opening time too late
- Better enter before 1pm for a visit to the complete museum area
- Opening time instruction on Holland Pass is wrong

Ticketing →

- Free entrance with I Amsterdam city card and Holland Pass
- Available on Chinese booking websites
- Expensive tickets but worth visiting
- Booking available on museum website
- No student discount
- Available at hotels



Entry →

- Bags are not allowed
- No need to queue with online booking
- Otherwise too long the waiting time

Space →

- Too many visitors!
- Excellent lighting effect
- Animated visual aids well played
- Use of glass in architecture gives a very modern look

Exhibition →

- Easy-to-understand curation
- Considerable design of Sunflower for blind visitors
- A large collection of important paintings and letters
- But The Starry Night is not here!
- Sometime important paintings are not in the museum (Sunflower)
- Very helpful to understand Van Gogh's life and growing up stories

Assistance →

- Substantial information of multimedia guide, big improvement it is in available in Chinese now

- Audio guide seems to be too entertaining and lacking knowledge about paintings for professional visitors

Retail →

- A good selection of products
- T-shirts design is questionable
- Prices are unreasonably high

Hospitality →

- Expensive food in Cafe
- No queue in Cafe
- Staff uniform nicely designed

Location →

- Easy to combine visits to other major museums
- Conveniently connected via public transportation

RETAIN

Memory →

- Photos are not allowed, other Dutch museums who also own Van Gogh paintings do allow it.
- Selfie with Van Gogh is interesting.

Share →

- Impossible to share with my friends without photos!



3. Outlook

Currently cultural attractions and art museums in The Netherlands are favored by 23% of the Chinese outbound tourists. But with the interests in deep travel gaining momentum, the museums are at the frontier of cultural heritage experience and this is where many opportunities gather. The very nature of the museums has the root in culture, however at the same time being a hospitality practitioner, they must integrate strategies and hold a strong emphasis on learning their customers.

We hope our analysis informs some insights to help your future decision making. It is after all in our Dutch gene to always be innovative about new things, changed processes and disruptive technologies. And history has proven that our innovation delivers us in return enhanced values.



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