China drives tourism growth in Asia-Pacific

The Asia-Pacific region has seen the fastest growth in tourist arrivals compared to any other region in the world but countries could do well to focus on quality rather than numbers.

According to the Mastercard Asia Pacific Destinations Index 2017, the top three destinations by international overnight arrivals in the region are Bangkok, Tokyo and Singapore.

Chinese tourists ranked number one for the most outbound trips made in the first half of 2017, with approximately 62.03 million trips around the world according to the China National Tourism Administration. China, therefore, remains the largest main feeder market, both on a global level and within the region.

Also comprising the top number of arrivals specifically in each of these cities, Chinese tourist arrivals comprised 28%, 22% and 15%, respectively, of the total number of arrivals to Thailand, Japan and Singapore in the second quarter of this year.

In Thailand, the tourism sector generated 20% of the country’s gross domestic product in the previous year, and this is expected to grow by around 10% this year.

Chinese tourists will continue to increase and remain a driver of the tourism industry and the hotel market. Apart from Chinese travellers, India is another potential giant feeder market for both the Asia-Pacific region and Thailand.

Although there were only 1.2 million Indian visitors to Thailand in 2016 compared to 8.7 million Chinese visitors, the annual growth of Indian visitors in the second quarter of this year was 15% year-on-year.

A challenge for hotel operators is balancing the proportion of the nationalities of tourists in their hotel. The risk of depending on one feeder market also remains. If tourists from that market change their mind about the attractiveness of Thailand as a destination, the country’s tourist market could be negatively affected.

While the increased number of tourist arrivals in Asia-Pacific is beneficial to economies, the challenge is ensuring not only the number but also the quality of tourist arrivals.

As Chinese tourist arrivals continue to increase along with those of other nationalities, it is important to ensure that quality tourism is sustained and that the number of arrivals does not compromise the quality of tourism.

The downside of the increase in numbers is that too many tourists can pollute the environment and overload infrastructure which can decrease the attractiveness of a destination.

Many countries have been trying to increase tourists’ awareness of sustainable tourism, but the challenge of dealing with increased visitors without harming the destination has remained.

Thailand and other countries in Asia-Pacific want quality rather than just the numbers achieved by increased spending per visitor and encouraging longer duration of stay.

As Chinese tourists account for the largest feeder nationality in Thailand, which provides many opportunities, it is important that the tourist industry does not “put its eggs in one basket”, but rather, diversify risk and focus on enhancing a quality tourist market.