

Older generation bitten by travel bug

Newly retired groups with greater consumption ability plan private tours to see the world

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These days, post-retirement life for Chinese people includes not just tai chi, mahjong and dancing in public squares, but also travel, which has spawned niche tourism.

Liu Yue, 56, said she now travels twice a year. In recent years she has visited Northwest China's Xinjiang Uygur autonomous region, and Southwest China's Tibet autonomous region, Guizhou province and Yunnan province, as well as Russia and Cambodia. Her future plans are to see Japan and South Korea.

Generally, she would invite several friends or family members to join on a package tour. "So it won't take our time to arrange the travel schedule."

On her trips, Liu likes to visit major scenic spots and buy specialty products. Each tour may cost her between 6,000 yuan (\$870) and 10,000 yuan. "The point is to relax, experience local culture and enjoy tasty food."

The world's second-largest economy has 240 million senior citizens. More than 20 percent of Chinese tourists are from this group, which has stimulated the tourism market during the low season, data from the Office of the National Working Commission on Aging showed.

Chinese people who are now aged 55 and over were born in difficult times when a typical family income used to cover just the costs of basic accommodation. Many such people see travel as the realization of long-held dreams from their youth, said Chen Guang, partner at consultancy firm McKinsey and Company.

After retirement, they have stable



Chinese tourists buy souvenirs in Vladivostok, Russia. More than 20 percent of Chinese tourists are senior citizens. YURI SMITYUK / TASS

income from pensions, less economic pressure and more free time. So, travel is feasible. Their grown children gift tours to express love and gratitude, Chen said.

"With the economic development, the elderly tourism market is growing quickly, faster than many other mature tourism markets," he said.

The stereotype of old Chinese tourists crowding into Chinese restaurants or taking photographs at scenic spots is also changing. Elderly people are seeking more diverse and deeper cultural experiences.

According to a recent report released by Ctrip, China's largest online travel agency, about 85 per-

cent of its more than 1 million elderly clients chose medium and high-end products, which emphasizes pursuit of comfort and pleasure in travel.

Tailored trips, themed tours, private tours and cruise trips are gaining in popularity among the old group.

Tourists older than 55, whose

average consumption reached 3,500 yuan per trip, ordered about 16 percent of tailored trips this year. Keywords most frequently mentioned in tailored trips included "five-star airlines", "comfortable" and "special food", the report said.

Chen said part of the reason is that the newly retired group has greater consumption ability and has more experience in adapting to the unfamiliar outside world.

He said the trend is also largely influenced by the preferences of their children or grandchildren, since a cross-generation family trip is very common.

"Marketing and travel products should be designed to target their offspring instead, since they are more likely to be the decision makers."

According to the report, average consumption of the post-1950s generation reached 3,115 yuan for each overseas package tour, the highest among all age groups.

Popular products at Ctrip have elements like small groups, pickup services, sufficient time for free activities, and no shopping, the company said.

David Gosset, founder of the Europe-China Forum, said: "For older people, culture is more attractive than entertainment. And what young people would consider fun could be simply noise for them."

"A destination like Hainan whose climate is agreeable could play a major part in tourism choices. The scope of health tourism would enlarge if resorts or companies specially target older people. Adapting the concept of wellness to older people could also have enormous potential."

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The plans for upscale cruise liner terminals are shaped by the commercial success of duty-free shops at key airports like the Shanghai Pudong International Airport, fueled by a constantly growing number of international travelers with strong spending power.

The airport said in its earnings report that income growth of the non-aviation sector mainly comes from the growth of duty-free retail. Tourists spend not just on hotels, local travel, food and shopping at malls and other areas, but also at airports.

China is the world's top outbound tourism market. According to the United Nations World Tourism Organization, the country's 142 million outbound travelers spent an estimated \$258 billion traveling abroad last year.

If they are encouraged to spend at home as well, and if more Chinese people are to travel, then new attractions like cruise trips and modern terminals at ports could prove a big draw.

So, Shanghai will encourage cruise operators and third-party agencies to further develop the domestic cruise tourism markets. Efforts are underway to introduce linkages between cruises, airlines, trains and buses, to enable multimodal transport for travelers.

In addition, the city will promote cruise tours at airports, train stations and other places with large passenger flows.

At the corporate level, CSSC Carnival Cruise Shipping, the China-based joint-venture cruise liner, will operate its own fleet to serve Chinese guests by the end of 2019.

It announced an agreement to

8 to 10 million

Number of Chinese travelers who will have experienced cruise trips by 2025

purchase two existing ships from Carnival Corp's Costa Group, a major cruise operator in Europe and Asia.

The first of these ships, the *Costa Atlantica*, is scheduled to be transferred to the new Chinese cruise line by the end of 2019.

Currently, the *Costa Atlantica* mainly sails from southern China seaports like Shenzhen to Southeast Asian countries like Vietnam and the Philippines. The *Costa Atlantica's* sister ship, the *Costa Mediterranea*, will be transferred at a later date, according to the company.

Also, the joint venture signed a

contract to order two new cruise ships, the first China-built large cruise fleet.

The two new cruise ships will be constructed by Shanghai Waigaoqiao Shipbuilding Co, a State-owned shipyard in Shanghai. The first ship is expected to be delivered in 2023 to serve the Chinese cruise market.

The agreement also gives the joint venture the option to order four additional China-built cruise ships to serve the growing demand of Chinese consumers.

Thamm of Carnival Asia said: "As a large, dynamic and underpenetrated cruise market with continued long-term projections for outbound tourism growth, China represents a significant opportunity for the cruise industry to raise awareness, consideration and demand for cruise vacations in the coming years."

But the cruise industry in China

faces a significant hiring challenge in the face of growing demand. By 2020, the talent gap in the sector will reach 280,000, according to the Cruise Lines International Association.

MSC Cruises, one of the major cruise lines with a dominant market share in Europe, South America and South Africa, entered the China market in 2010. The company said that up to 2022, it needs 32,000 new crew members, including entry-level employees and mid-level managers.

The company said it is actively looking for partnerships with educational institutions in China, and would like to build a global network of MSC training academies. It also said its crew members will be taught languages and be made eligible to serve in ships around the world, as per the company's staff rotation policy that covers its whole fleet.