



Economic Development,  
Jobs, Transport  
and Resources

# CHINESE VISITORS TO VICTORIA

Produced by the Tourism,  
Events and Visitor Economy  
Research Branch

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# CHINESE VISITORS TO VICTORIA

## Highlights for year ending December 2017

### Chinese visitors in Victoria



**\$2.7b**  
SPEND  
+13.9% y/y  
Share of Vic: 35%  
Proportion  
of Aus: 33%



**621,600**  
VISITORS  
+9.2% y/y  
Share of Vic: 21%  
Proportion  
of Aus: 50%



**17.5m**  
NIGHTS  
+10.5% y/y  
Share of Vic: 26%  
Proportion  
of Aus: 33%

### Strong growth for Chinese visitors, nights and expenditure in Victoria.

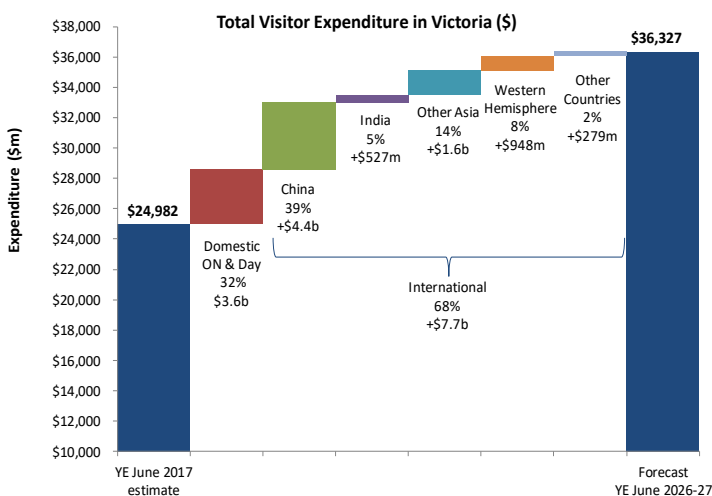
Chinese visitors to Victoria spent \$2.7 billion in 2017, representing year-on-year growth of 13.9 per cent. Growth was behind the national average (+17.7%) and New South Wales (+17.8%) however ahead of Queensland (+11.7%). Victoria also experienced year-on-year growth in Chinese visitors, to reach 621,600 (+9.2%), behind the national average growth rate (+12.1%) and New South Wales (+13.6%) but ahead of Queensland (+3.8%). Visitor nights grew to reach 17.5 million (+10.5%), behind the national average growth rate (+14.2%) and key competitors.

There has been strong average annual growth in Chinese visitors (+17.3% p.a.), nights (+16.7% p.a.) and spend (+22.7% p.a.) over the last five years (2012 to 2017).

China underpinned Victoria's international expenditure in 2017 and continues to be the largest source of international visitors and spend. China's share of expenditure was 35.1 per cent of total international overnight spend in the State and represents more than the next seven markets combined. This strong growth is expected to continue to 2026-27.

For more detail on the travel trends of the China market, refer to the International Tourism Summary - <https://www.business.vic.gov.au/tourism-industry-resources/research/international-research>

### Forecast visitor expenditure 2016-17 (actual) to 2026-27 (forecast)



Tourism Forecasts 2017, Tourism Research Australia, released August 2017.

Note that forecasts estimates are based on forecast growth at the national level, applied to year ending June 2017 estimates for Victoria, therefore assuming growth at state level same as national.

International expenditure is predicted to contribute 68 per cent of the overall growth in total tourism expenditure in Victoria over the 10 years to 2026-27.

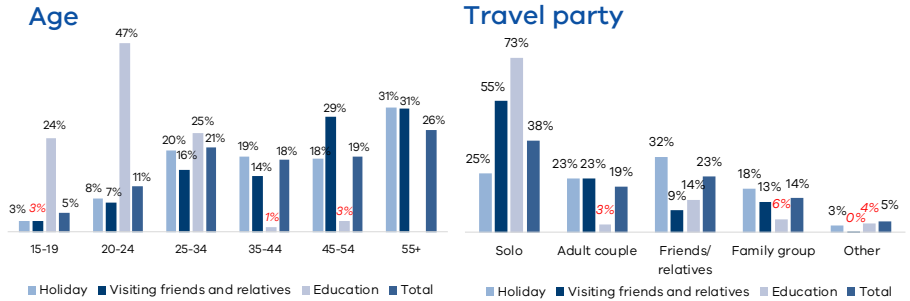
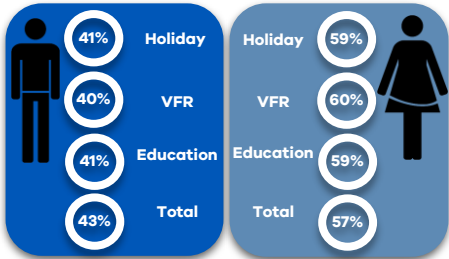
Domestic overnight and daytrip expenditure is estimated to contribute 32 per cent to total expenditure.

China is forecast to be \$7.0 billion in 2026-27 (+10.3% p.a.) and contribute 39 per cent to total expenditure in Victoria. Growth in spend by Chinese visitors in Victoria is estimated to represent 57 per cent of the increase in international spend over the next ten years.

Chinese visitors to Australia are forecast to grow by 11.9 per cent per annum over the next ten years, to represent 35 per cent of total international visitors by 2026-27. Over the forecast period, Holiday visitors from China are expected to grow at a faster rate (+14.1% p.a.) than other purpose segments and increase their share by 12 percentage points to 68 per cent, with declines in share for Education (-6% pts), Business (-3% pts) and Employment (-1% pts) visitors from China. VFR visitors are expected to hold their share of 17 per cent, with a forecast growth of 12.0 per cent per annum.

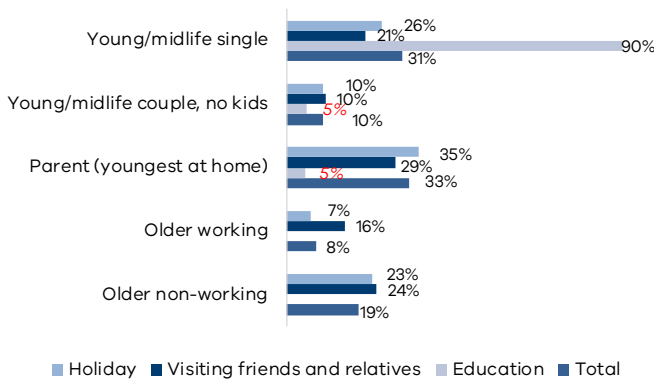
# CHINESE VISITORS TO VICTORIA

## Profile of Chinese overnight visitors to Victoria

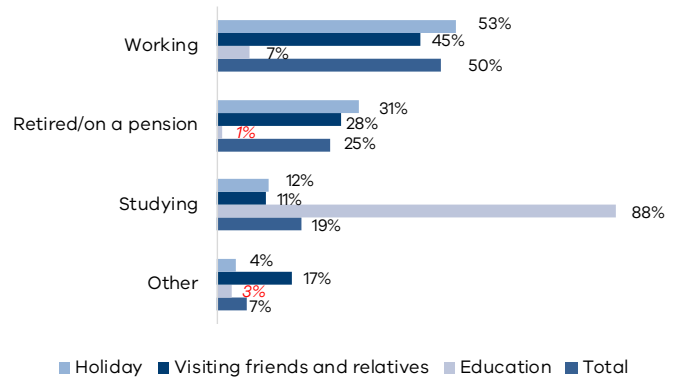


There were more female travellers for each purpose as well as overall (57% compared to 43% overall). The majority of Chinese leisure visitors to Victoria were more likely to be 25 years or over (Holiday (89%) and VFR (90%)) while almost all Education visitors were under 30. VFR (55%) and Education (73%) visitors came to Victoria alone, while Holiday visitors were more evenly spread across the travel groups. The largest lifestage segment for Chinese visitors to Victoria was parent (youngest at home) (33% overall) and young/midlife single (31% overall), with over 90% for Education visitors. Most Holiday and VFR visitors are working (53% and 45% respectively) or retired/on a pension (31% and 28% respectively). Eighty-eight per cent of Education visitors to the state are studying.

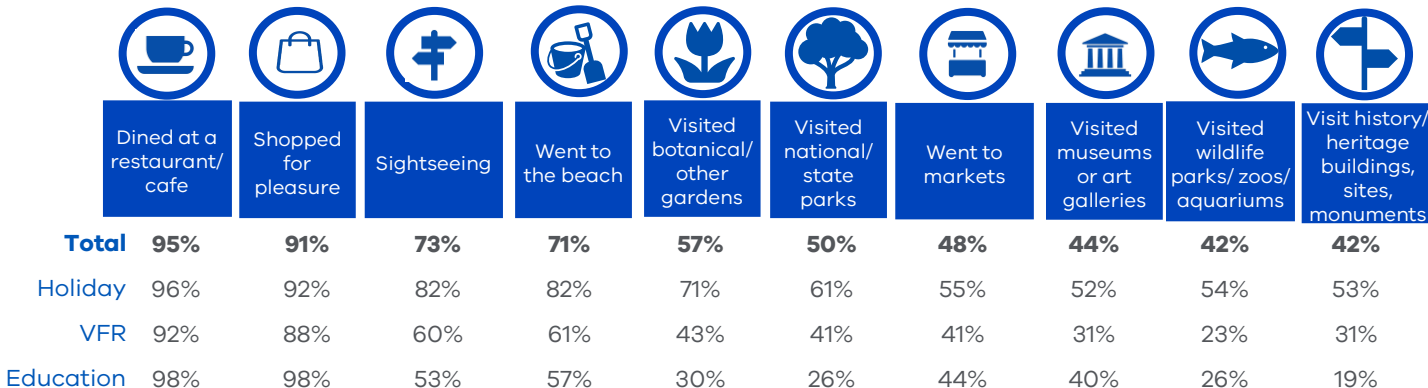
### Lifestage



### Employment



## Activities Chinese visitors to Victoria did on their trip to Australia\*



\*Top ten activities, ranked by total visitors. Activity may or may not have taken place in Victoria.

Note: Percentages in red are based on small survey samples and are subject to high levels of sampling variability. Results should be interpreted with caution.

# CHINESE VISITORS TO VICTORIA

## Chinese overnight visitors to regional Victoria



77.8%  
\$122m  
spend



31.4%  
68,800  
visitors



102.3%  
1.1m  
nights

The majority of nights and overnight spend by Chinese visitors in the State is in Melbourne, with only 4.5 per cent of their overnight spend in regional Victoria (a smaller proportion than international visitors to Victoria on average, 6.9%).

Strong year-on-year growth in spend, visitors and nights for Chinese overnight visitors to regional Victoria, with double-digit growth over the longer term.

Chinese overnight expenditure in regional Victoria increased by 77.8 per cent year-on-year to reach \$122 million. Chinese overnight visitors increased by 31.4 per cent to 68,800 in the year ending December 2017. Chinese visitor nights in regional Victoria also increased by 102.3 per cent compared to the previous year to reach 1.1 million. Growth over the last five years (2012 to 2017) was also strong for Chinese overnight visitors (+39.2% p.a.), nights (+27.1% p.a.) and spend (+24.8% p.a.).

Growth rates for total international overnight spend overall in regional Victoria was 9.8 per cent year-on-year, and 6.7 per cent for total international overnight visitors. Over the longer term (2012 to 2017), growth in spend by international overnight visitors in regional Victoria (+9.2 p.a.) was lower than for Chinese visitor spend (+24.8% p.a.) as well as for total international overnight visitors (+11.1% p.a. compared to +39.2% p.a. for Chinese overnight visitors).



Year Ending December	2012	2016	2017	AAG 12/17	% change 16/17
<b>Chinese Overnight Visitation (000s) to Victoria</b>					
Melbourne	275.7	559.8	611.0	17.3%	9.2%
Regional Victoria	13.2	52.4	68.8	39.2%	31.4%
<b>Victoria</b>	<b>279.7</b>	<b>569.2</b>	<b>621.6</b>	<b>17.3%</b>	<b>9.2%</b>
<b>Chinese Visitor Nights (000s) in Victoria</b>					
Melbourne	7,752	15,272	16,379	16.1%	7.2%
Regional Victoria	330	541	1,094	27.1%	102.3%
<b>Victoria</b>	<b>8,082</b>	<b>15,813</b>	<b>17,473</b>	<b>16.7%</b>	<b>10.5%</b>
<b>Chinese Overnight Visitor Spend (\$M) in Victoria</b>					
Melbourne	926	2,291	2,565	22.6%	12.0%
Regional Victoria	40	69	122	24.8%	77.8%
<b>Victoria</b>	<b>966</b>	<b>2,360</b>	<b>2,687</b>	<b>22.7%</b>	<b>13.9%</b>

# CHINESE VISITORS TO VICTORIA

## Places visited\* in Victoria by Chinese visitors

Eleven per cent of Chinese overnight visitors to Victoria spent at least one night in regional Victoria, however only six per cent of their total nights in Victoria are spent outside of Melbourne. This is among the lowest of all the international markets to Victoria (with an average of 12%).

In the year ending December 2017, 43 per cent of Chinese overnight visitors to Victoria spent time (daytrip or overnight) in the Great Ocean Road/Twelve Apostles region. This region is very popular generally, with 34 per cent of all international overnight visitors to Victoria travelling there. Nineteen per cent visited the Phillip Island/Penguin Parade area (in line with international overnight visitors to Victoria overall, 17%) and 18 per cent visited Yarra Valley and Dandenong Ranges (compared to international overnight visitors to Victoria overall, 20%).

CHINESE OVERNIGHT VISITORS	Year Ending December 2017								
	PURPOSE								
	Visited	YE Dec 2017	% change YE Dec 2016-17	YE Dec 2017 (% total)	Holiday	VFR	Education	Holiday visitors (% total)	VFR visitors (% total)
<b>Regional Destinations</b>									
Ballarat Sovereign Hill	38,000	-16%	6%	21,300	13,700	5,600	5%	11%	8%
Great Ocean Road or Twelve Apostles	267,300	18%	43%	206,600	44,100	18,200	53%	36%	25%
Mornington Peninsula	26,000	-7%	4%	14,800	7,700	7,300	4%	6%	10%
Phillip Island penguin parade	116,900	6%	19%	87,800	20,300	10,900	23%	17%	15%
Yarra Valley and Dandenong Ranges (inc. Puffing Billy & Healesville Sanctuary)	112,200	20%	18%	68,900	32,300	13,700	18%	26%	np
Victorian Snowfields	10,300	16%	2%	np	np	np	np	np	np
Wilson's Promontory	7,500	37%	1%	5,500	np	np	1%	2%	1%
Geelong	23,200	np	4%	11,800	5,400	5,900	3%	4%	8%
<b>Melbourne Attractions &amp; Precincts</b>									
Crown Casino/entertainment complex	135,000	1%	22%	67,100	34,400	26,400	17%	28%	36%
Docklands/ Etihad Stadium	56,200	13%	9%	21,200	11,200	23,600	5%	9%	32%
Federation Square	314,800	2%	51%	221,800	48,200	36,800	57%	39%	51%
Melbourne Cricket Ground (MCG)	11,200	-35%	2%	np	np	np	np	np	np
Melbourne Museum (Royal Exhibition Building)	120,500	8%	19%	73,300	20,700	25,500	19%	17%	35%
National Gallery of Victoria (NGV)	108,700	5%	17%	69,200	13,300	22,700	18%	11%	31%
Queen Victoria Market	273,400	14%	44%	166,400	60,900	43,000	43%	50%	59%
Southbank/Southgate	83,300	18%	13%	38,300	17,000	26,200	10%	14%	36%
Sea Life Melbourne Aquarium	33,500	10%	5%	18,500	np	9,300	5%	np	13%
Eureka Skydeck	20,200	-14%	3%	11,700	np	6,200	3%	np	9%
St Kilda	66,200	5%	11%	27,400	16,700	22,000	7%	14%	30%
Chapel Street	27,000	21%	4%	9,600	7,500	9,500	2%	6%	13%
Chadstone Shopping Centre	133,900	36%	22%	48,000	49,700	37,500	12%	41%	52%
Brunswick Street	20,600	-18%	3%	7,800	np	8,700	2%	np	12%
Melbourne Zoo	51,900	np	8%	22,800	16,500	12,500	6%	14%	17%
Melbourne CBD Shopping Precinct	406,800	26%	65%	234,000	90,700	65,900	60%	74%	91%
<b>TOTAL VICTORIA</b>	<b>621,600</b>	<b>9%</b>	<b>100%</b>	<b>388,900</b>	<b>122,200</b>	<b>72,700</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

np' is shown for figures that are non-publishable, as they are subject to sampling error.

\* Places visited include day visits

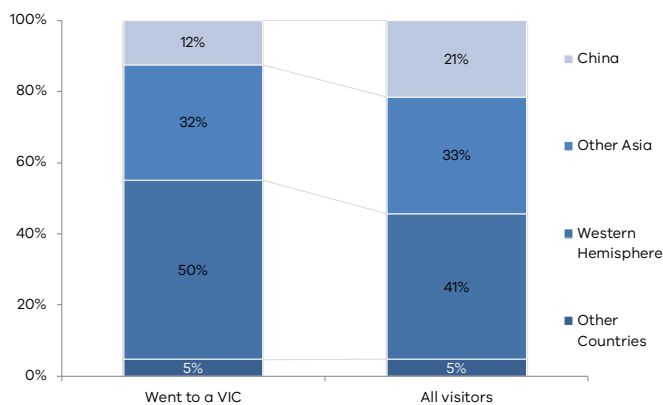
In 2017 there were an estimated 279,900 day trips by Chinese visitors to regional Victoria. This represented 80 per cent of all trips (that is, day and overnight trips) to regional Victoria by Chinese visitors.

The highest numbers of daytrips to Victoria's regions included the Great Ocean Road (80% of Chinese daytrip visitors to regional Victoria), followed by Yarra Valley and Dandenong Ranges (39%) and Phillip Island (39%) and Ballarat sub-region (in the Goldfields region) (13%). These percentages could include the same visitor, as they may have done more than one daytrip to regional Victoria.

# CHINESE VISITORS TO VICTORIA

## Chinese visiting Visitor Information Centres (VICs)

Share of Visitor Information Centres market vs total visitor market to/within Victoria – YE December 2017



Chinese visitors to Victoria are underrepresented at VICs, where they account for 12 per cent of VIC visitors, compared to 21 per cent of total visitors to Victoria.

Conversely, Western Hemisphere visitors to Victoria are overrepresented at VICs, where they account for 50 per cent of VIC visitors, compared to 41 per cent of total visitors to Victoria.

## Independent travel by Chinese visitors

Free independent travellers (FIT)\* accounted for 67 per cent of the Chinese leisure visitor market in the year ending December 2017, compared to 51 per cent five years earlier. The proportion is much lower than the overall international leisure market, with FITs representing 90 per cent. (Source 1).

In 2017, there were an estimated 44,700 Chinese self-drive leisure visitors# in Victoria, with the majority of these being Holiday visitors (90%). Almost all of the Chinese self-drive leisure visitors were free and independent travellers (93%), with seven per cent arriving in Australia on a travel package.

## Travel by Chinese-born living in Victoria

In 2016, approximately 160,700 residents living in Victoria were from China (Source 2). China is the third largest market for overseas residents living in Victoria (behind England and India).

Only 20 per cent^ of Chinese-born Victorian residents had an outbound trip in 2017 (Source 3). There are more outbound trips for Chinese living in Australia for less than 10 years (62%) compared to at least 10 years (38%) (Source 4).

In 2017, ninety-three per cent of trips to/within Victoria by Chinese-born people living in Melbourne were to regional Victoria, in line with all overseas born (94%), and representing 68,500 overnight trips. In comparison, an estimated 104,700 Chinese-born people living in Melbourne travelled interstate in 2017, with over 40 per cent^ of these trips being to Sydney.

Forty-four per cent of trips to regional Victoria among Chinese-born Melbourne residents were by people living in Australia for less than 10 years, compared to 28 per cent for all overseas born people living in Australia for less than 10 years. This reflects the lower number of years that Chinese-born people have been living in Melbourne, with 61 per cent less than 10 years, compared to 35 per cent of total overseas born people.

Chinese-born residents living in Victoria only represented three per cent of overnight trips to regional Victoria by all overseas born residents.

### Sources:

1. International Visitor Survey (IVS), year ending December 2017, Tourism Research Australia, released March 2018.
2. Australian Bureau of Statistics, Census of Population and Housing: Reflecting Australia – Stories from the Census, 2016, Table 8, Selected Countries of Birth of Person and State and Territory of Usual Residence, 2016 (all ages) <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/2071.02016?OpenDocument>
3. National Visitor Survey (NVS), Demographics, year ending December 2017, Tourism Research Australia, released March 2018.
4. National Visitor Survey (NVS), Outbound year ending December 2017, Tourism Research Australia, released March 2018.

\*FITs are not on a group tour and may have package inclusions.

#A leisure visitor has stated the stop over reason was for either a holiday or to visit family and/or a friend(s).

^Actual number below publishable threshold.

# CHINESE VISITORS TO VICTORIA

## Chinese friends and relatives visiting Chinese-born living in Victoria

Recent research highlighted the Chinese living in Victoria initially came for the purpose of study (45 per cent), business/work (24 per cent) or to visit family (21 per cent), with the majority now permanent residents (43 per cent) or citizens (35 per cent). These residents are hosts to visiting friends and relatives (VFR) and are extremely influential with regard to their visitor/s trip, with the majority of Chinese hosts (82 per cent) convincing their visitor/s to travel to Victoria in the first place. Hosts also play a significant role in deciding where their visitor/s go and what they do while in Victoria, as the visitor/s tends to defer to the host's local knowledge and expertise.



There were an estimated 122,200 Chinese VFR overnight visitors in Victoria for year ending December 2017, representing 20 per cent of all Chinese overnight visitors to the State. Key highlights of travel by Chinese VFR visitors in Victoria includes:

- 75 per cent of Chinese hosts taking a day trip to/within Melbourne and its suburbs when they travelled with their Chinese visitor/s..
- 63 per cent of Chinese hosts (who went on an overnight trip) taking an overnight trip to/within Melbourne and its suburbs with their Chinese visitor/s.
- 33 per cent of Chinese hosts taking a day trip to the Great Ocean Road with their Chinese visitor/s.
- 20 per cent of Chinese hosts taking an overnight trip to the Yarra Valley and Dandenong ranges with their Chinese visitor/s.

Chinese visitors were less likely to go on day trips or overnight trips without their hosts, but when they did, there was a greater variety in destinations selected. Of these, Chinese visitors were most likely to have taken day trips without their host to Phillip Island (31 per cent) or Gippsland (31 per cent). Twenty-eight per cent of Chinese visitors went to Daylesford and the Macedon Ranges for an overnight trip without their hosts.

Source: Destination Visitor Survey, *Visiting Friends and Relatives in Victoria: The China and India Market*, Tourism Research Australia, May 2017.

# CHINESE VISITORS TO VICTORIA

## Chinese friends and relatives visiting Chinese studying in Victoria

Almost forty per cent of education visitors to Victoria come from China. This highlights the importance of this market, as well as potential visitors to those studying in the State. Sixteen per cent of Chinese students who visit Victoria have family visit them while studying in Australia, and 11 per cent have friends visit them. Almost two thirds (65%) of the international education visitors have family or friends from overseas attend their graduation<sup>1</sup>.

Research on the visiting friends and relatives market in Victoria and highlighted some of the motivations for Chinese coming to Australia included having a holiday (67%), seeing friends (66%) and family (63%). Travel is a status symbol and for trip and itinerary planning the visitor will defer to the host's local knowledge and expertise.

Eighty per cent of VFR visitors are interested in information resources in Mandarin and 67 per cent would like information in English.\*

The research also identified some of the following opportunities:

- ensuring hosts have information available for visitors,
- including a range of tourism experiences within Victoria,
- targeting communications through specific publications and online channels to hosts living in Victoria,
- building the confidence for the visitor to travel without the host, and
- ensuring easy access to information on self-contained accommodation to help convert day trips to overnight stays in regional Victoria.



Sources: Destination Visitor Survey, Visiting Friends and Relatives in Victoria: The China and India Market, May 2017. Tourism Research Australia [website](#)

<sup>1</sup> International Visitor Survey, Tourism Research Australia, year ending December 2017, released March 2018. Base: International short-term visitors (12 months or less) aged 15+.

\*Numbers do not sum to 100 as respondents were not limited to a single option



# CHINESE VISITORS TO VICTORIA

## Chinese education visitors to Australia

Chinese education visitors to Australia who visited Victoria on their trip

- An estimated 21 per cent of Chinese visitors to Victoria visited an overseas student studying in Australia. The main purpose of their trip to Australia was for a holiday (40%) or visiting friends and relatives (41%).<sup>1</sup>
- Nine per cent of Chinese visitors to Victoria attended the graduation of an overseas student, compared to ten per cent of all international visitors to the State.<sup>1</sup>
- Sixteen per cent of Chinese Education visitors had family (from overseas) visit, and 10 per cent had friends (from overseas) visit. Most family visiting an international education student in Victoria were from China (31%) while most friends visiting were from China (29%).
- Eighty-nine per cent of Chinese Education visitors to Victoria studied in Australia for more than 6 months (compared to 68% of all international visitors to the State).



### Definition of international education within the visitor economy

This fact sheet reports on visitor figures from the International Visitor Survey, Tourism Research Australia. In this survey, education visitors are defined as visitors who have been in Australia for less than one continuous year and who stated their main purpose for visiting Australia was for education purposes. The survey is conducted with visitors as they leave the main Australian airports. International Education visitors to Victoria may have undertaken their studies in another State or Territory, however visited Victoria on their trip.

Not all international students are part of this definition. If the student is studying a course/degree for more than a year and does not leave Australia within a year (for example, to visit their family) then they are not defined as an international education visitor in the IVS.

Source: International Visitor Survey, Tourism Research Australia, year ending December 2017, released March 2018. Base: International short-term visitors (12 months or less) aged 15+. <sup>1</sup>Question was only asked from 2012 to 2014.