



Dragon Trail
INTERACTIVE

环球旅讯
TravelDaily

Chinese Travelers' Digital Journey Post Pandemic

Prepared for Travel Daily by Dragon Trail Interactive | June 2020



Agenda

1. Overview of the digital landscape in China & the pre-pandemic digital journey
2. Travel marketing during the pandemic
3. Changes in Chinese travelers' digital journey post-pandemic

About Dragon Trail

Dragon Trail Interactive is an award-winning digital marketing and solutions agency **helping travel and tourism organizations reach and connect with China's affluent consumers online.**

We combine our deep market knowledge, extensive industry relations and the diverse skill set of our multi-cultural and multi-lingual team to deliver innovative solutions and excellent service.

Founded in 2009, the company has offices in Beijing, Shanghai, Xi'an, London, and Lexington.



100% China



100% Travel



100% Digital

The pandemic has turned travel industry executives into live streaming superstars



MEDI-PEEL/美蒂
¥178.00

盛金铅 漂亮

贾淼7333



Overview of the Digital Landscape in China & the Pre- Pandemic Digital Journey

Key Features of China's Digital Landscape

1. Different & Crowded Landscape

Average internet user regularly uses **15.5 apps/** platforms on their phone



2. Mobile First

788 million smart phone users, **98%** of all internet users



3. Video Boom

Average internet user spends **58 minutes** each day on mobile video



4. Social Word of Mouth

The social factor is decisive for purchasing behavior



Source: Quest Mobile, CNNIC, Social Media Impact Report, eMarketer (2018)

5. Cashless society

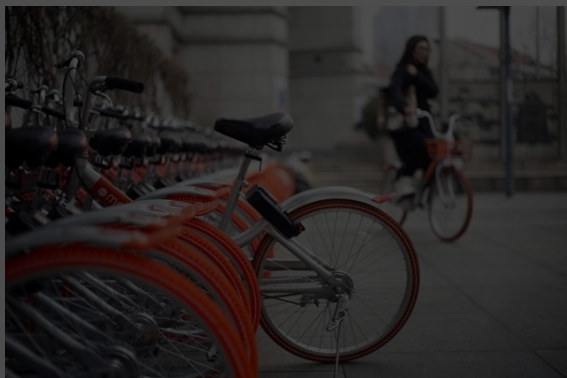
More than 41 trillion USD spent via mobile payments in 2018 & 36 trillion USD in Q1-Q3 2019

How Mobile-first is China?

Percent of consumers who use mobile for:

	China	Global Average
Searching for travel information	84.2%	61.6%
Booking trips	82.2%	54.2%
Trip planning	73.8%	?

Source: Global Digital Traveler Research 2019 by Travelport



7:30am



7:45am



7:50am



7:55am



8:30am



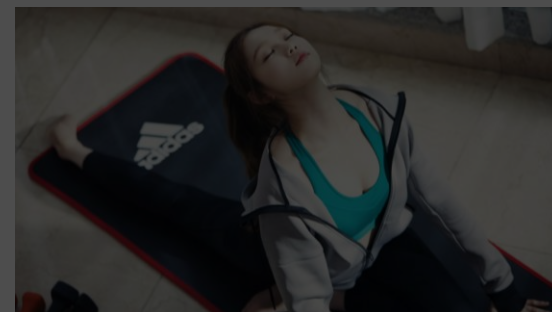
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6:00pm



7:30pm



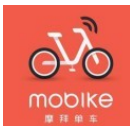
9:30pm

The Digital Lifestyle

Getting up &
Commute



7:00 am



At Work



9:00 am



Lunch Time



12:00 noon



Back At Work



1:00 pm



Out For Dinner



8:00 pm



Evening At
Home



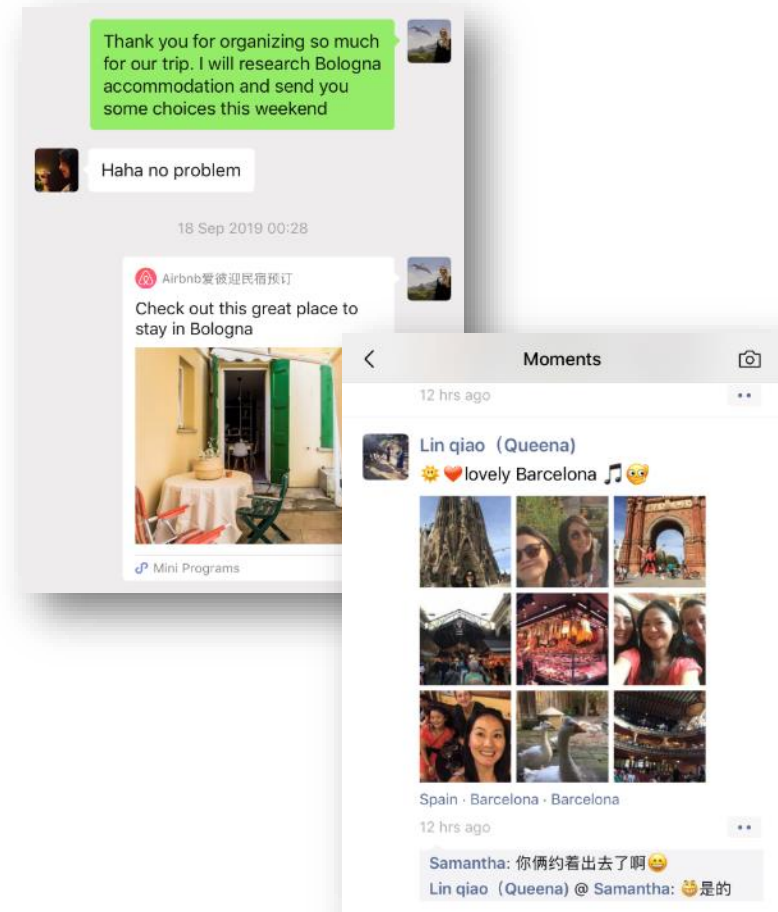
10:00 pm



WeChat



- WeChat is China's #1 mobile app and social media platform.
- WeChat (“Weixin” in Chinese) was released by Chinese internet giant Tencent in 2011. By Q1 2020, the app had more than 1.2 billion monthly active users on WeChat.
- Known as the “Swiss Army Knife App”, or “Super App”, WeChat has a wide array of functions, such as instant messaging, social networking, e-commerce, mobile payment, gaming and digital banking.



Sina Weibo



- “China’s Twitter,” founded in 2009
- 516 million MAUs (December 2019)
- Especially popular with the post-90s generation
- China’s leading social media platform for years. Following a brief period of decline, the micro-blogging platform has made a notable comeback.



Weibo is a more open and public platform than WeChat, giving content greater reach. Hashtags and “supertopics” help users share and find content. Popular for celebrity content, and a top choice for influencers.

Video Platforms



Short-form videos have taken off in recent years, with 78.2% of China's online population using short video by the start of 2019, and 96% by June 2019. In total, 821 million Chinese consumers watch short videos on a monthly basis.

Live streaming has been popular in China for years, and is becoming increasingly popular for tourism sales and marketing.

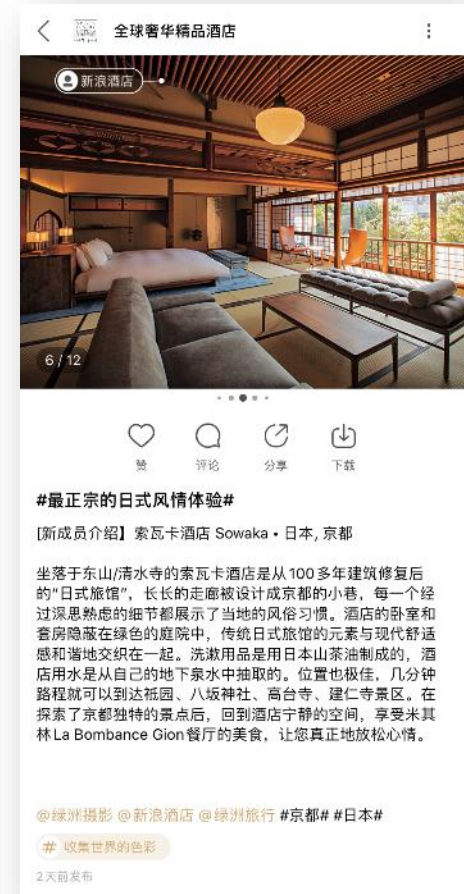
Leading video and live streaming platforms include: Douyin, Miaopai, Kuaishou, Youku, Tencent Video, iQiyi, Vue Vlog, Douyu, and Yizhibo.

Lifestyle Platforms: Xiaohongshu



Trend watching | KOL collaboration

Lifestyle Platforms: Oasis



Trend watching | KOL collaboration | Brand account (integrated with Weibo)

Online Forums



Zhihu: Online Q&A forum, similar to Quora



Douban: Online forum, focus on culture, used by KOLs

“Traveling in the UK, what are the unmissable destinations?”
+900 people following; +200,000 views

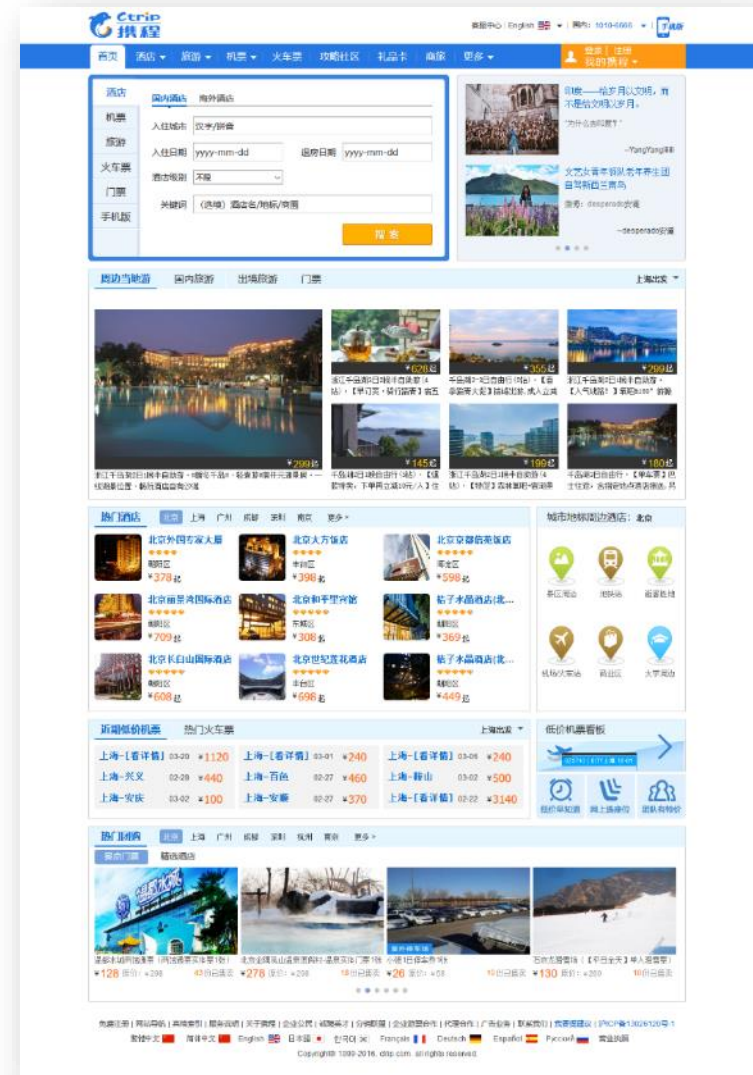


Ctrip/Trip.com Group

Trip.com Group (Ctrip) is China's leading OTA, used by 59% of Chinese travelers for trip planning and booking (Resonance, 2019). Products include package tours, flights, hotels, cruises, visas, insurance, attraction tickets, car rentals, and customized tours.



Ctrip's Virtual Tour Manager offers in-destination guides, a social platform to meet other travelers, emergency services and more.



Other Leading OTAs



Qunar:
No. 2 OTA, partly
owned by Ctrip



Meituan:
Rising star, Meituan-
Dianping, Tencent
investment



Fliggy:
Alibaba's online
travel marketplace



Tuniu:
Partly owned by
Ctrip and Tencent



Tongcheng-eLong:
Owned by Tencent,
integrated into
WeChat



TripAdvisor:
aka Maotuying

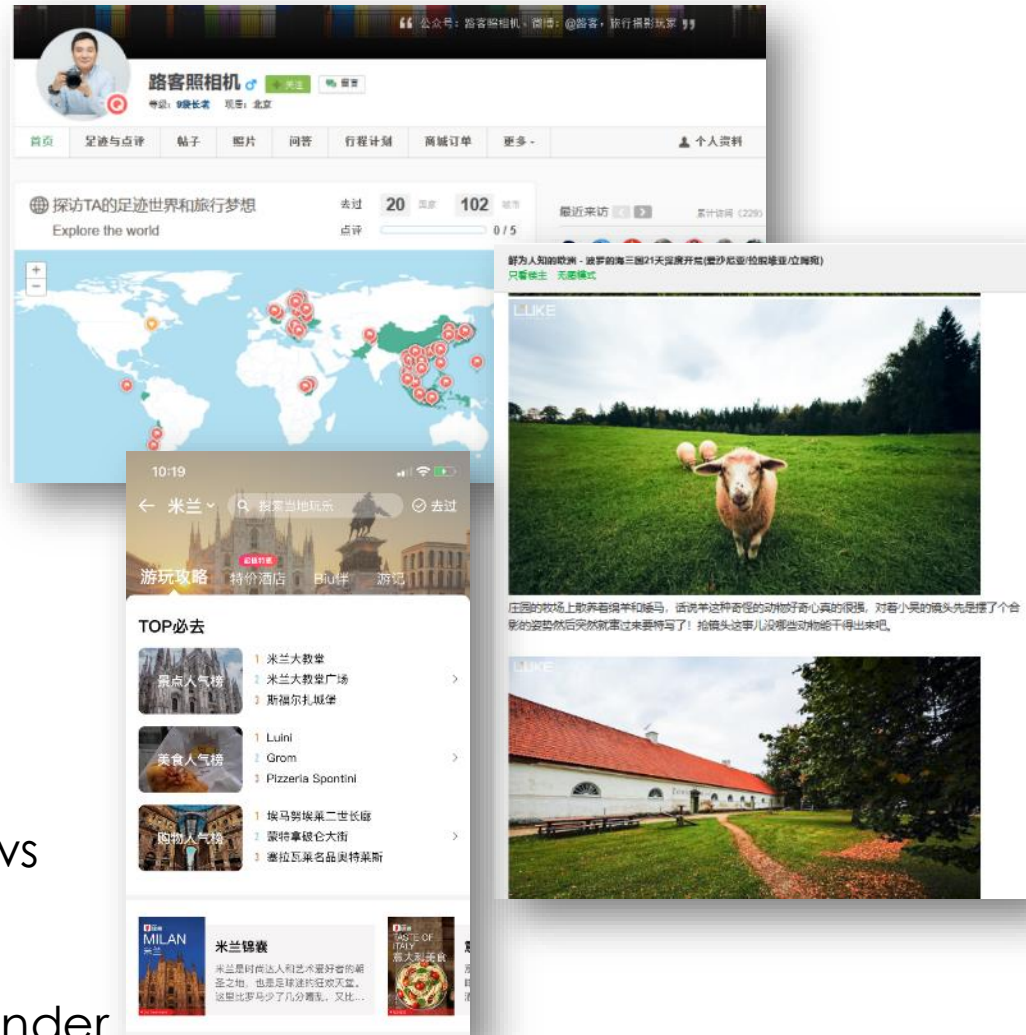


Lvmama

Travel Review Websites: Qyer



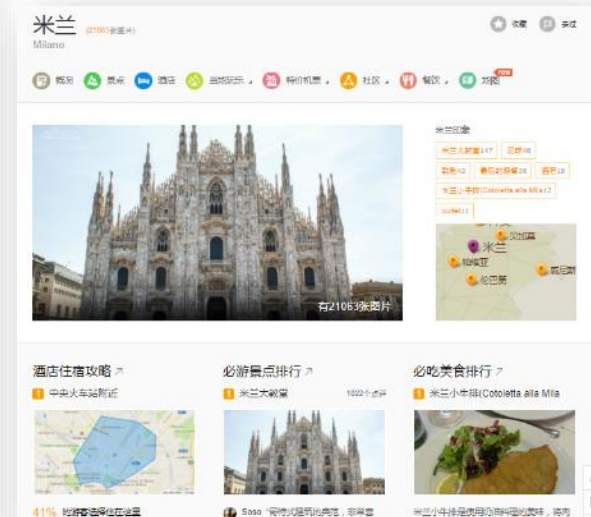
- 88 million users
- 12 million daily page views
- 26.5% are aged 36+,
57.5% are aged 24-35,
16.1% are aged 23 and under



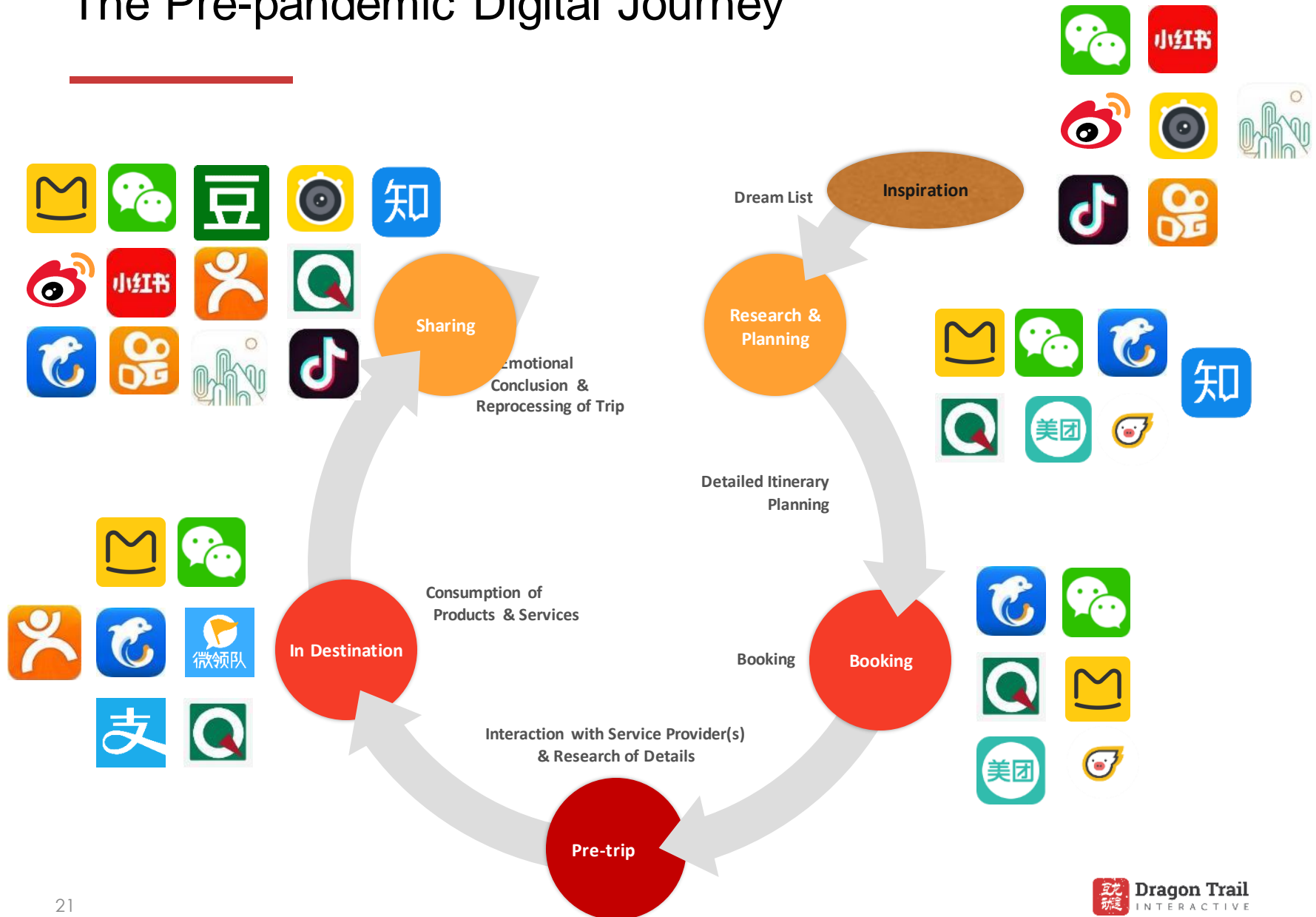
Travel Review Websites: Mafengwo



- 80 million active users
- 19% are aged over 36, with 44% between 31-35, 25% between 25-30, and 12% aged 24 and under
- 50%+ have white collar jobs and/or are at the managerial level



The Pre-pandemic Digital Journey





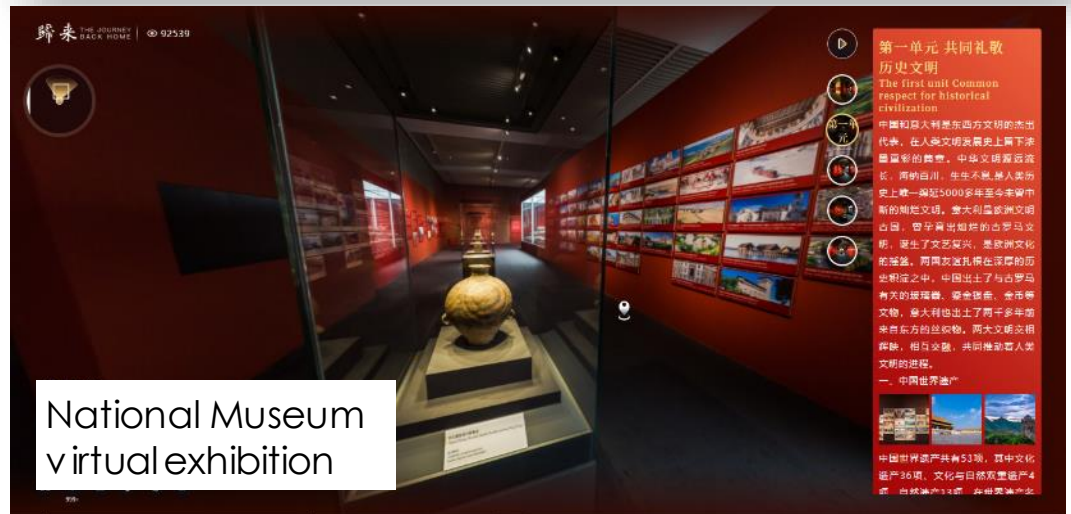
Travel Marketing During the Pandemic

Virtual Experiences

- Online exhibitions
- Online collections
- Live streaming tours



Palace Museum app



Video Tours



Chateau de Versailles



Asian Art Museum

Creating video tours *in Chinese* can attract a significant amount of attention and send a welcoming message

Social Commerce

Travel agents enter e-commerce, leveraging their client relationships and general ability in sales.

我们桃子的供应商也是我们音谱精选的第一位供应商，还记得当年好吃的大苹果吗？是的，就是他们，短短几周时间和我们一起卖了上千箱苹果的朋友。今天他们又带来桃桃组合，继续好评如潮，继续复购连连！我们一直在追求性价比高的产品，仅仅人民币39.9元居然十斤桃，居然江浙沪包邮，可忍还是不可忍？音谱精选 <https://k.ruyu.com/RKnWCu2l>



Cruise -> Fruit

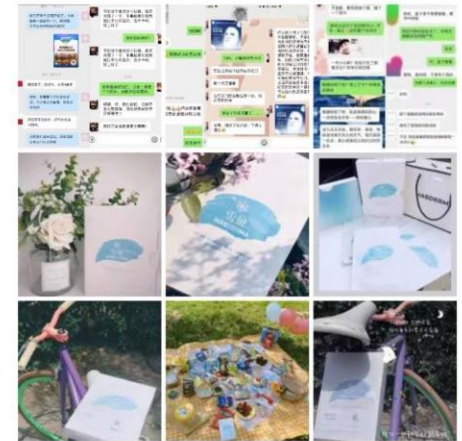
新疆小白杏，过了今天就只能明天才能吃着，原价129（4斤），团惠购价99元，最后的1小时



昨天

TMC -> Fruit

刷一波新品牌的好评~ 从定位、迭代到营销，这是一款互联网面膜！



2020年5月3日 11:55

TA -> Cosmetics

Live Streaming Stands Out



Live Streaming

- As of March 2020, there are 560 million live streaming viewers in China, 62% of the country's internet users (CNNIC).
- Live streaming is particularly popular for entertainment and e-commerce. E-commerce sales through live streaming is projected to reach US\$14 billion in 2020 (up from US\$4.4B in 2018).
- Live streaming grew in popularity during the lockdown – users of e-commerce platform Taobao grew by 110% in February.
- From January to June 2020, bandwidth for streaming on the Tencent Platform increased 500%.

Live Streaming - Professional Live Streamers



“Lipstick king” Li Jiaqi

US\$136 sales in February 2020



“Taobao Live Stream Queen” Wei Ya

US\$420 sales during double 11, 2019

Live Streaming - Celebrity Live Streamers

1



2



3



1. Gree CEO: Close to US\$100 million in sales during June 1, 2020 live streaming event
2. CCTV Anchors: four CCTV anchors sold over US\$70 million worth of product on May 1, 2020
3. Luo Yonghao: Tech entrepreneur Luo Yonghao achieved US\$17 million in his first live streaming event

Live Streaming in Travel

- **Trip.com Group (Ctrip):** Chairman James Liang has sold 520,000 hotel rooms in 11 live streams since March
- GMV from live streams exceeded US\$36 million



Live Streaming in Travel



- **Spring Air:** Founder Zhenghua Wang attracted over 12 million visits in his May 19 live stream.
- Revenue from that single stream exceeded US\$4 million.

Live Streaming in Travel

- **Qunar:** CEO has been live streaming from domestic destinations since April, average US\$2.3 million per broadcast



Live Streaming by Hotels

飞猪

中国南区销售副总裁 Rick Ning

中国区数字营销副总裁 Brenda Wu

618香格里拉BOSS直播
领大额红包 神秘礼品等你来抽!

直播时间: 6月18日 14:30-15:30

淘宝/飞猪APP扫一扫
点击看直播

SHANGRI-LA GROUP 香格里拉集团

飞猪618 夏日旅行狂欢节

淘 香格里拉酒店

上飞猪 好玩不用找

飞猪 JINMAO 金茂酒店

长沙梅溪湖金茂豪华精选酒店
酒店经理 Andy Hu

带你探店长沙小龙虾
看BOSS直播赢免房
6月18日21:15-22:15

em+ 活动时

飞猪618 夏日旅行狂欢节

淘 金茂酒店旗舰店

上飞猪 好玩不用找

明星来了!

飞猪直播特惠 **999元/晚**

阳台房+双人早餐+双人嬉水

直播时间 | 2020.06.20 @ 11:00 - 13:00

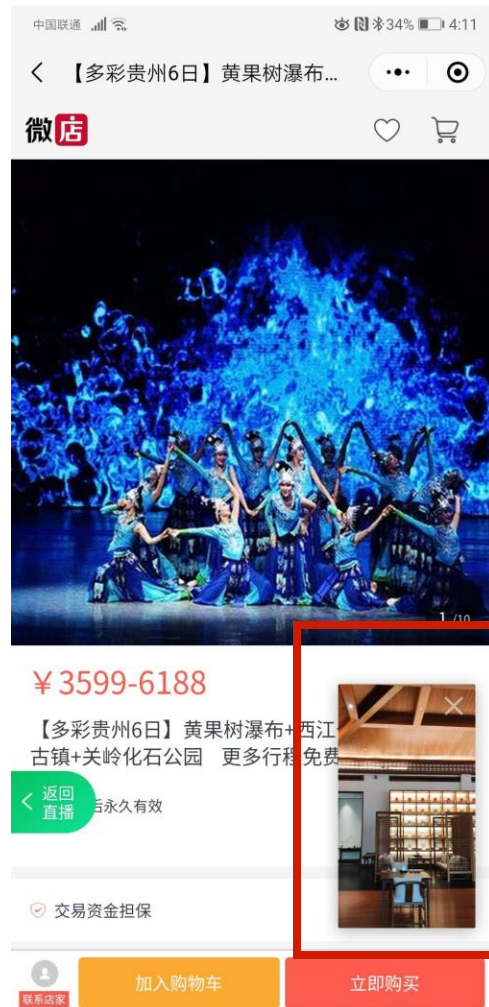
扫二维码观看直播

超人气辣妈
阿贵 Phoebe

飞猪 MARRIOTT BONVOY

MARRIOTT BEIJING CHANGPING 北京昌平万豪酒店

How Does Live Streaming Shopping Work?



- During live streaming product pop up entices the audience to click.
- After a click, the live streaming screen is minimized and a product page pop under.
- Tab on the minimized live stream window resumes the live stream.

How Does It Really Work?

$$\text{RMB}10,000,000 \times 365 = \text{RMB } 3.65 \text{ billion}$$

If it is so easy, why don't they run a live streaming event everyday?

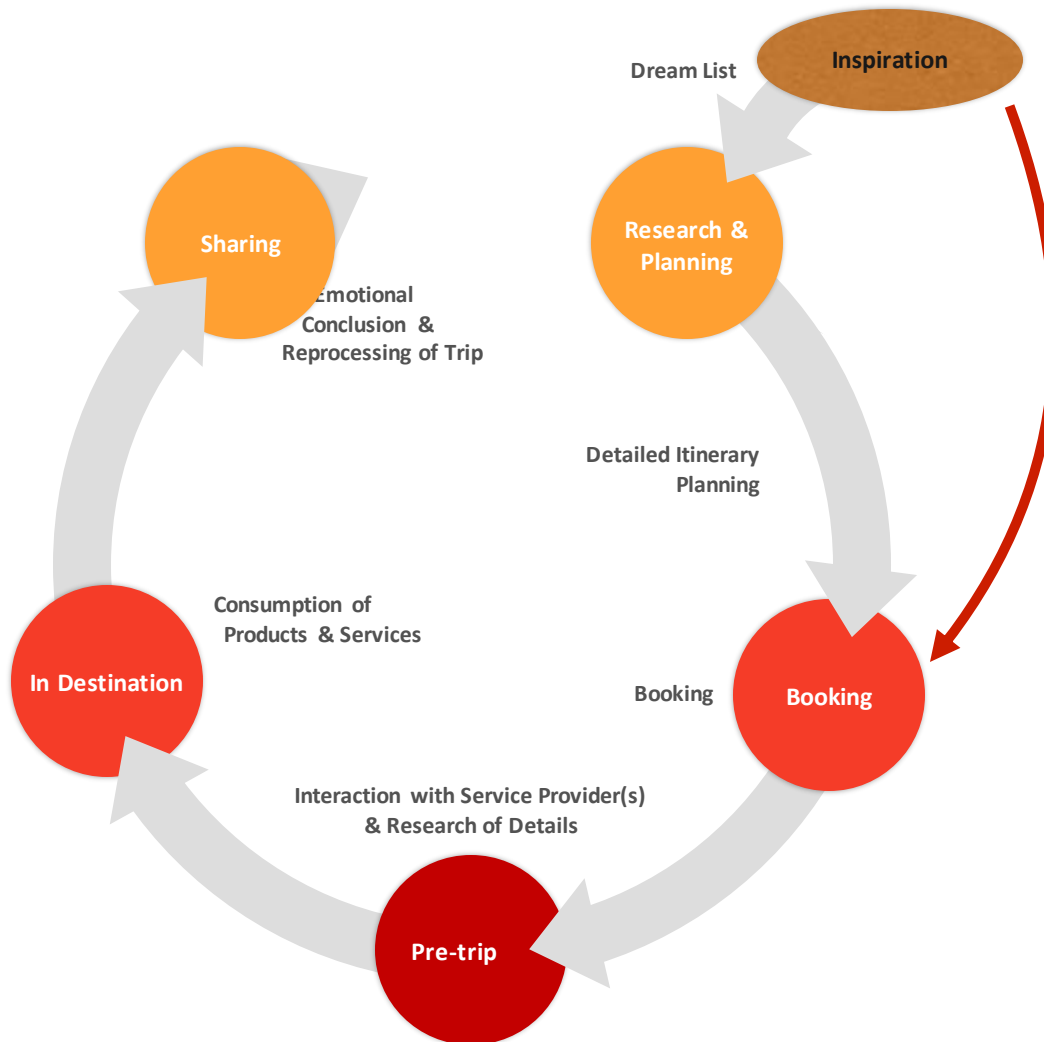
How Does It Really Work?

- The interactive and pro-active sales process definitely helps with conversion.
- Successful live streaming events are carefully orchestrated promotional events.
- To achieve significant sales results, live streamers need to offer popular, high quality products at heavily discounted prices.
- You need to package your products in a way that consumer can buy first, use later. This presents some challenges for travel products.



Changes Chinese Travelers' Digital Journey Post-pandemic

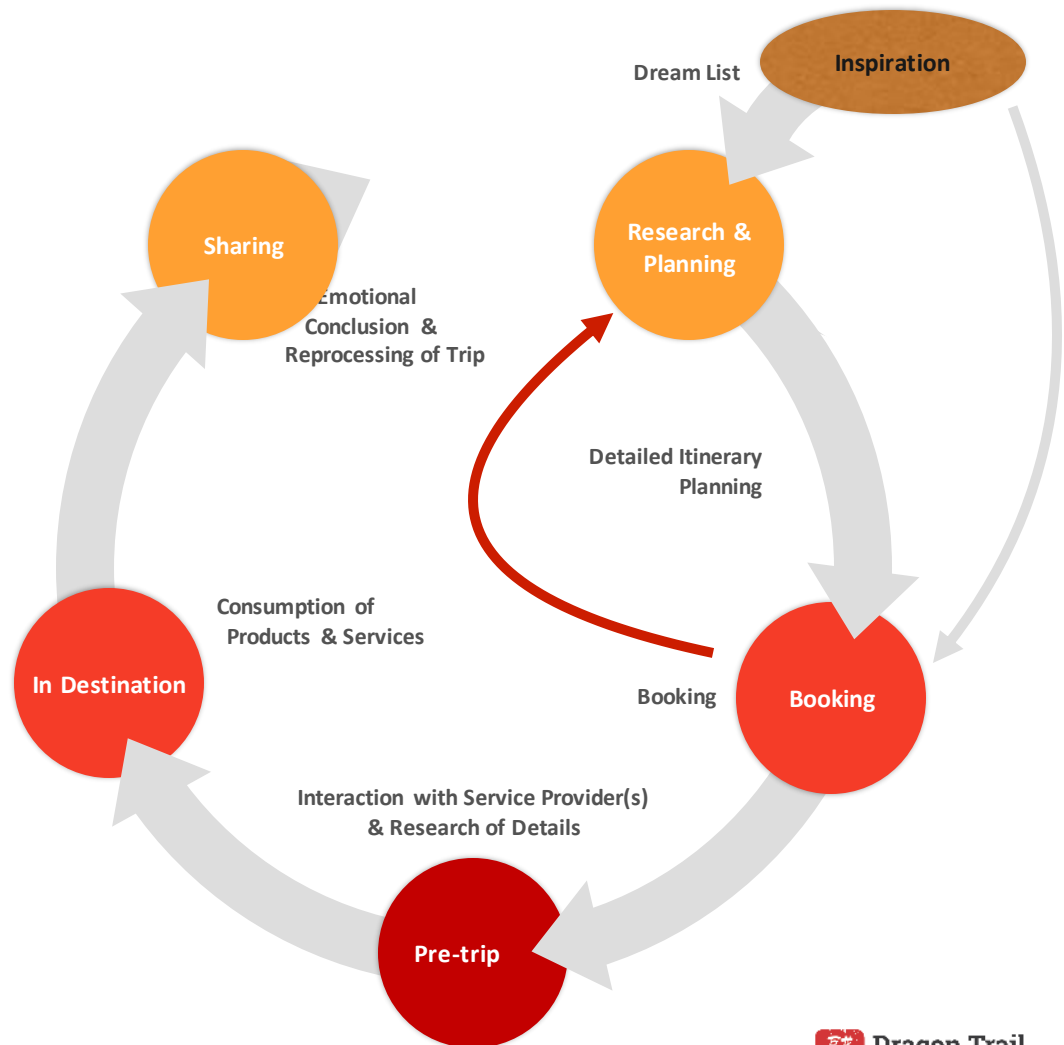
Changes in Consumer Digital Journey for Travel



The long process of awareness building, inspiration, evaluation and purchasing collapses to a single carefully orchestrated promotional event.

Changes in Consumer Digital Journey for Travel

Products are purchased before carefully research & planing, leading to limitation in consideration set and complications in research & planning.



Other Changes in Consumer Digital Journey for Travel

- Digital will become more prominent in the travel planning process. More tools and platforms will play a role, and more touch points will emerge. It will be increasingly difficult to fully understand the consumer journey without data.
- Video (streaming or on-demand) will be prevalent throughout the entire consumer journey.
- The expectation of contactless services will change the in-destination experience significantly.
- Consumer journey for travel could be mostly completed on lifestyle and e-commerce platforms in China.

How to Respond to the Changes?

- Learn as much as you can about the short video and live streaming platforms to be able to choose the right platform.
- Get to know the live streaming ecosystem and various business models.
- Conduct consumer research, or leverage data, to better understand the changes in digital journey of your target audience.
- Be more in control of the consumer journey.

Q&A



Dragon Trail
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Tell: +86 10 62667530

Email: info@dragontrail.com

Website: www.dragontrail.com



www.linkedin.com/company/dragon-trail



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