

Editor's comment **from *Travel Markets* Issue No. 21** **(The China Outbound Travel Market)**

The world's most dynamic outbound travel market ...

China is already the fastest growing outbound travel market in the world. Since 1995 its annual growth has averaged around 21%. In 2002 it overtook Japan as Asia's leading source, and it extended its lead in 2003 despite the dampening effect of SARS. This year, exceeding even the most optimistic of forecasts, the market is set to increase by at least 50% in outbound trip volume, to more than 30 million trips.

Preliminary estimates also suggest that China will move ahead of Italy and France this year in the world ranking of leading spenders on international tourism, thereby climbing to fifth place behind the USA, Germany, the UK and Japan. And in spending per trip on travel abroad, the Chinese market is now second only to Japan.

... but how best can the growth be tapped and managed?

This Special Report – the second in our *Travel Markets* series – provides an overview of key trends and developments in China outbound travel, highlighting the major factors influencing demand and assessing the market's short- and longer-term growth potential.

But, in addition to analysing conventional aspects of the market's structure and demand trends, we have also tried to identify segments that offer the greatest potential for different destinations, or regions, and to provide some guidance as to how best to tap this potential. The rapid and unprecedented growth of China outbound travel has taken almost everyone unawares – whether they come from national, regional or local destination management organisations, hotels, or inbound tour operators. More significantly, it seems to be changing the way the travel and tourism industry does business.

Those who take pains to try to understand the market – as well as anticipate the main drivers of growth in the future – clearly stand to benefit the most.