



GHN On My Mind: Ed Fuller

Chinese Travelers Are California Dreaming and You and Orange County Will Be the Beneficiaries



*Ed Fuller
President & CEO
Orange County Visitors Association*



There's no way around it: if you live and work in Orange County today, or do business here, one way or another, your life will be touched in some way by the more than 1 million visitors from China expected to come to the U.S. by 2015.

China is poised to become the Number One tourist market for those of us who make our living in California's tourism and hospitality industry. Today, California is now the primary U.S. tourist destination for Chinese visitors. More than 46 percent of all Chinese tourists to the U.S. take advantage of the more than 60 weekly direct flights between the Chinese mainland and California to stop here first before venturing on to other U.S. destinations. Should we care? You bet! Last year, Chinese visitors to California spent \$2 billion here. China's middle class is larger than the entire population of the U.S. Their pent up demand to explore the world, unleashed by the simplification of the visa application policy, knows virtually no bounds. Even now, Chinese visitors are the world's largest spenders to the tune of about \$6,000 per person per trip to the U.S. and, when they get here, they tend to stay longer than visitors from other countries.

At or near the top of their list of what attracts them to California, other than our climate and natural beauty, are Orange County's (OC) premier tourist destinations—Disneyland and Universal Studios. But, it's not only OC's tourist attractions that are appealing: every day we read accounts of major commercial and personal real estate deals being made in Orange County by visitors from China. They're buying office buildings and other investment properties, vacation and retirement homes for themselves and housing for sons and daughters who are studying at one of our local colleges and universities. In fact, the California Association of



Realtors recently pegged foreign sales at 5.8 percent of the State's total real estate transactions and 39 percent of these buyers come from China, followed by Canada at 13 percent and India and Mexico at 8.7 percent each. Medical tourism is another big draw and abundant shopping opportunities, outstanding golf venues (more than 20 million Chinese nationals are expected to play golf by 2020), wide range of entertainment attractions and endless miles of beaches all add to OC's appeal—not to mention our central location to everything that's great in Southern California.

I recently returned from a two-week sales mission to China in which 15 of OC's tourism leaders met with local Chinese tourism officials to promote our destination. While there, we built new alliances and enhanced existing relationships. We opened a sales office in Beijing to complement our Shanghai office which debuted to great success earlier in the year, announced plans to launch a Chinese language website in early 2014 and introduced a special rate program that will be available to a wide spectrum of Chinese tourists visiting Orange County next year from the high-end luxury tier traveler to the more budget-minded.

We made a lot of strong contacts and were heartened by the warm reception our message about Orange County received. But, are we (and other destinations interested in attracting the Chinese visitor) ready? Do we really know what these visitors truly want? Social media is vibrant in China and Chinese consumers are candid in their opinions. Do we have someone on our respective staffs mining their search sites such as Baidu to keep our fingers on the pulse of our most important consumer? And do we understand what we need to do to keep them coming back time and again? In other words, are we China Ready?

In my 40-year career with Marriott International, I spent a significant amount of time working with Chinese mainlanders and developing and operating hotels in China. I was also at the forefront when Marriott first began globalizing its formidable domestic U.S. hotel product. Providing services such as an on-site Japanese-speaking concierge, access to AT&T's language line for instant translation services, a Japanese breakfast, tea kettle and slippers in the guest room, and Japanese language daily newspapers became standard in hotels that cater to the international customer. At the time, the primary beneficiary of this service commitment was the Japanese traveler. Today we're substituting Mandarin Chinese and Chinese cultural preferences for Japanese.

What we learned early on is that there are two kinds of international tourists. The first are the package tour visitors for whom the trip is their first venture abroad and the most important thing



for them is get the photo in front of the local tourist icon such as Cinderella's Castle. This traveler truly appreciates all the services listed here.

However, today's Chinese visitors not only include these first-time international travelers, but a new type of traveler—a traveler who is better educated and who may have studied abroad. These travelers know their way around. They want to sample the local cuisine. They want to explore new experiences. They want to immerse themselves in the local “vibe” and, most importantly, they don't want to be stereotyped.

It may be hard for many of us to comprehend today but China's Cultural Revolution—when international travel was available to only a select few Chinese citizens—is still fresh in the minds of many Chinese nationals over the age of 40. China's remarkable middle class growth and the emergence of the potent consumer market we're all now pursuing happened all in the space of a generation.

Chinese visitors who are now traveling the world are proud that they can spend US\$6,000 for their personal pleasure. This is a luxury unheard of in China just 20 years ago. And, service providers today, whether they're in the hospitality/tourism industry or other sectors of the economy, face the challenge of helping make our Chinese guests feel welcome and comfortable—whether they are first-time visitors or sophisticated guests. Simply adding dim sum to a restaurant menu won't cut it any more.

We in Orange County are proud to be a vibrant, committed partner in our State's “Sunny California, Warm Hospitality” educational platform whose goals are to keep California top of mind among future potential Chinese visitors, retain our competitive advantage among these travelers and to sensitize components of our local tourism and hospitality industry and citizenry on the variances in communication style, etiquette, values and tastes between our respective cultures.

Orange County has everything to gain by getting it right with these visitors. We are at the heart of all that's attractive about Southern California. They love our climate, our shopping venues, proliferation of restaurants and grocery stores featuring familiar foods. And who knows? Today's visitor from China could very well be our next-door-neighbor and PTA president tomorrow.

Ed Fuller serves on GlobalHotelNetwork.com's [Investment Committee](#).