INTRODUCTION

The Chinese and Indian Visiting Friends and Relatives (VFR) market is an important tourism market for Victoria.

The VFR market represents almost one-quarter (23%, or 613,800) of total international overnight visitors. Since year ending December 2011, the international VFR segment in Victoria has experienced average annual growth of 8.6% per annum, which is above the national average growth of 6.8% per annum.1

The highest volume of international overnight VFR visitors to Victoria from Asia were from the key growth markets of China (85,600) and India (49,900), with double digit average annual growth since year ending December 2011. For Western markets, New Zealand (109,600) followed by the United Kingdom (73,400) had the highest volume of VFR visitors to the state2. Dispersal from China and India into regional Victoria was low compared to our traditional Western markets. According to the last published Census, the highest volume of overseas-born residents aged over 15 in Victoria were from the United Kingdom (14%), India (8%) and China (7%)3.

Tourism Research Australia (TRA) – in partnership with the Tourism, Events and Visitor Economy branch within the Victorian Government – commissioned Colmar Brunton to research the motivations, behaviours and influences of the Chinese and Indian VFR travel market to Victoria.

VFR travellers often stay with friends or relatives, resulting in lower accommodation spend than holiday visitors.

The research focused on:

- profiling hosts and visitors in the Chinese and Indian markets
- motivations of VFR travellers
- trip and itinerary planning
- experiences of visitors in Victoria
- spending on trip
- perceptions and attitudes towards Victoria.

KEY FINDINGS

- Chinese and Indian visitors have generally been to Australia before (sometimes on a regular basis). Both Chinese and Indian hosts regularly have visitors.

- Hosts are extremely influential with regard to their visitors’ trip, with the majority of Chinese and Indian hosts convincing their visitors to travel to Victoria in the first place. Hosts also play a significant role in deciding where their visitors go and what they do while in Victoria, as the visitors tend to defer to the host’s local knowledge and expertise. Marketing tourism experiences to the host will help them with trip planning and itineraries for their guests.

- VFR travellers are not traditional ‘holiday’ visitors – experiences other than ‘tourism’ are among their main reasons for travelling to Victoria.

- Aside from the main travel purposes of holiday, to see friends, and to see family, both Chinese and Indian visitors also intended to scope out Australia for study, work and retirement options.

- Hosts, however, want their guests to have tourism experiences while they are here, as they tend to view their guests’ trip as a ‘holiday’.

- The lower total average trip spend for Indian visitors compared to Chinese visitors reflects the tendency of Indian hosts to contribute to their visitors’ airfares for travel to Australia.

- The majority of Chinese visitors would like planning and itinerary information in Mandarin, but a large percentage would also be comfortable with information in English. Indian visitors, however, prefer their information to be in English.

1,2 Tourism Research Australia, International Visitor Survey, Year Ending December 2016
3 ABS, Estimated Resident Population, by Country of Birth by State, 30 June 2011

Note: ‘Visitor’ and ‘Visitors’ are interchangeable in this report.
### WHAT WAS THE PROFILE OF VFR VISITORS TO VICTORIA?

#### CHINESE

- Generally younger (45% aged under 30)
- Either single or in a couple without children (47%)
- Mostly working full time (62%)
- Originally came to Victoria to study (45%); for business/work (24%); or to visit family (21%)
- Now permanent residents (43%) or citizens (35%)
- Living in Australia for one to five years (32%), with a further 61% having been here for six years or more
- Planning to stay in Australia indefinitely or permanently (67%)

#### INDIAN

- Most likely to be young families (53% were in their 30s, and 56% had one child under the age of 10)
- Less likely to be working full time (56%), compared to their visitors (86%)
- Originally came to Victoria for business/work (33%); study (32%); or to visit family (19%)
- Now citizens (64%), with a further 25% being permanent residents
- Most likely to have been in Australia for six years or more (74%)
- Planning to stay in Australia indefinitely or permanently (82%)

#### Chinese visitors:

- Were older than their hosts (63% aged 30–44)
- Had young children at home (57% with one child under the age of 10)
- Were working full time (94%)
- Were well-travelled, with 68% having previously been to Europe, 55% having been elsewhere in Asia, and 52% having been to North America.

#### Indian visitors:

- Were generally older than their hosts (40% of Indian visitors were aged 40 or over)
- Had older children living at home (44% with children aged 11 and over living at home)
- Were more likely to be men than their hosts (68%, compared to 45% of Indian hosts).
WHAT WERE THE MOTIVATIONS BEHIND THE VISIT FOR BOTH VFR TRAVELLERS AND HOSTS?

Both Chinese and Indians have a strong culture of hospitality. Both cultures are very family orientated and see it as a privilege to be able to show hospitality to family and friends.

For both Chinese and Indian, length of stay is largely at the discretion of the visitor.

**CHINESE**

- To Chinese hosts, it is an honour and privilege to be able to show hospitality to one’s family, especially aging parents who have worked hard and sacrificed material comforts for themselves to give their children a better life abroad.

  
  Of course I’m very happy when my parents visit me here. It’s part of our Chinese culture, our family is very close and we love spending time together.

- For Chinese visitors, immediate family members and close friends are expected to stay with the host, in the host’s home. Distant relatives or friends will seek the host’s preference whether they should stay in a hotel or with the host.

- Chinese visitors mainly came to Victoria for a holiday (67%); to see friends (66%); and to see family (63%).

- Chinese visitors consider travel to be a status symbol, and they want their friends and family to know they have travelled to Australia/Victoria, and have ticked items off their ‘bucket list’. There was also a number of Chinese visitors who were travelling for the purpose of reconnaissance should they eventually migrate here.

**INDIAN**

- For the Indian hosts, the strong tradition of hospitality in Indian society, and expectation that those who have had the opportunity to make a life in Australia will extend this to others wanting to come to Australia, means that a bed and warm hospitality will always be found for somebody wanting to visit Australia.

  We host people every 6–12 months. Family, friends, friends of friends, family friends, people on honeymoon.

- Indian hosts are obligated to accept requests for hospitality even from people they have not met personally. They will then do everything they can to ensure the guest or guests enjoy their stay.

- Indian visitors mainly came to Victoria for a holiday (74%); to see friends (69%); and to see family (51%).

- Indian parents will visit their children in Australia to check on their well-being, and to investigate whether another of their children has the opportunity to move to Australia. Additionally, VFR visits were often triggered by significant events in the life of the host, including moving into a home of their own, or the birth of a grandchild.

*Numbers do not sum to 100 as respondents were not limited to a single option*
HOW DID THEY PLAN THEIR TRIP?

The majority of Chinese hosts (82%) and Indian hosts (78%) influenced their visitors to travel to Victoria in the first place. This influence continued with the host playing a big part in suggesting destinations, planning and organising the trip, as the visitors tended to defer to their local knowledge and expertise.

For both the Chinese and Indian markets, the itinerary was planned both before and after the visitor’s arrival. Hosts and visitors from both markets agreed that both parties provided ideas for the itinerary and trip in the pre-arrival stage, but that after the visitor’s arrival, the visitor had a greater role in planning and generating ideas. Even when visitors provided ideas, hosts were more likely to be responsible for logistical arrangements (e.g. hiring cars, etc.).

*Question: HOSTS: Please rate your role compared to that of these friends and/or family at the following stages of their trip to Victoria.
VISITORS: Please rate your role compared to that of the friends and/or family you visited or are visiting in Victoria at the following stages of your trip to Victoria.
INFORMATION SOURCES

CHINESE

- Family, friends and colleagues were the most common source of information that Chinese hosts used when first planning the visit (35%), followed by websites for traveller experience sharing (28%), and attractions websites (28%). They also relied on these three sources when developing the itinerary (29% for family, friends and colleagues; 32% each for traveller experience websites and attractions websites).
- For Chinese visitors, traveller experience websites were the most common source of information for planning their visit (51%), followed by travel guide books (49%). When developing the itinerary, the most used source of information was family, friends and colleagues (50%).
- Visitors used more online information sources than their hosts for planning their trip and developing their itinerary:
  - 47% of Chinese visitors used social networking sites to plan their trip, compared to 15% of their hosts.
- Visitors (particularly Chinese visitors) used more “official” sources of information including government websites and travel guide books:
  - 45% of Chinese visitors used the government tourism website to plan their trip, compared to 24% of Chinese hosts.

LANGUAGE PREFERENCES FOR INFORMATION*

- Chinese hosts and visitors would like information resources in Mandarin, particularly for planning the trip, but English was also well-represented:
  - 68% of Chinese hosts would like information in Mandarin, and 59% would like it in English. Resources in Mandarin may be less important for the Chinese host (compared to the Chinese visitor), however, the host will refer the information source onto the visitor and therefore Mandarin was the better option.
  - 80% of Chinese visitors would like information in Mandarin for planning the trip (and 67% would like it in English), while 72% would like itinerary information in Mandarin (and the same proportion would like English information).

INDIAN

- Indian hosts most commonly relied on the knowledge of friends, family and colleagues for planning the trip (50%), followed by attractions websites (44%).
- Indian visitors often relied on friends, family and colleagues (69% for both planning the trip and for developing the itinerary). They also commonly used traveller experience websites (50% for planning, 48% for developing the itinerary).
- Visitors used more online information sources than their hosts for planning their trip and developing their itinerary:
  - They most commonly used attractions websites (48%) and the advice of their friends, family and colleagues (47%) when developing their itinerary.
  - 42% of Indian visitors used hotel websites to develop their itinerary, compared to 21% of Indian hosts.
- 40% of Indian visitors used travel guide books to plan their trip, compared to 22% of Indian hosts.

- Almost all Indian hosts and visitors would like information in English, however, approximately one-fifth would like it in Hindi:
  - 93% of Indian hosts would like information in English for planning the trip, and 27% would like it in Hindi.
  - 99% of Indian visitors would like information in English for developing the itinerary, and 16% would like it in Hindi.

*Numbers do not sum to 100 as respondents were not limited to a single option
WHAT DID THEY SPEND ON THE TRIP?

**CHINESE**

Chinese hosts most commonly spent money during their visitors’ stay on:
- food and drink (80%)
- transport within Victoria (71%)
- entertainment (65%).

The highest average spend for Chinese hosts on their visitors was on gifts to take home ($848 on average), organised tours ($777 on average) and accommodation ($611 on average).

Chinese visitors most commonly spent money during their visit on:
- transport to Australia (100%)
- food and drink (96%)
- gifts to take home (94%).

The highest average spend for Chinese visitors on their trip was on transport to Australia ($3,720 on average), gifts to take home ($2,737 on average) and other expenditure ($2,185).

**INDIAN**

Indian hosts most commonly spent money during their visitors’ stay on:
- food and drink (88%)
- entertainment (77%)
- transport within Victoria (69%)
- transport to Australia (69%).

The highest average spend for Indian hosts on their visitors was for accommodation ($782 on average), transport to Australia ($627 on average) and gifts to take home ($464 on average).

Indian visitors most commonly spent money during their trip on:
- transport to Australia (97%)
- food and drink (90%)
- transport within Victoria (88%)
- gifts to take home (also 88%).

The highest average spend for Indian visitors on their trip was for food and drink ($2,093 on average), transport to Australia ($1,984 on average) and other expenditure ($1,872).

Amounts stated are from the most common categories that hosts/visitors reported spending money on during the visit.
WHAT WERE THEIR EXPERIENCES IN VICTORIA?

**CHINESE**
- 75% of Chinese hosts took a day trip to/within Melbourne and its suburbs when they travelled with their Chinese visitors.
- 63% of Chinese hosts (who went on an overnight trip) took an overnight trip to/within Melbourne and its suburbs with their Chinese visitors.
- 33% of Chinese hosts took a day trip to the Great Ocean Road with their Chinese visitors.
- 20% of Chinese hosts took an overnight trip to the Yarra Valley and Dandenong ranges with their Chinese visitors.
- 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 go to Phillip Island, Gippsland and Daylesford and the Macedon Ranges:
  - Chinese visitors were more likely to have taken day trips without their host to Phillip Island (31%) or Gippsland (31%).
  - 28% of Chinese visitors went to Daylesford and the Macedon Ranges for an overnight trip without their hosts.

**INDIAN**
- 85% of Indian hosts took a day trip to/within Melbourne and its suburbs when they travelled with their Indian visitors.
- 57% of Indian hosts (who went on an overnight trip) took an overnight trip to/within Melbourne and its suburbs with their Indian visitors.
- 61% of Indian hosts took a day trip to Phillip Island with their Indian visitors.
- 35% of Indian hosts took an overnight trip to the Yarra Valley and Dandenong Ranges with their Indian visitors.
- Similar to the Chinese market, Indian visitors were less likely to go on day trips or overnight trips without their hosts. When they did travel without their hosts, the most common attractions and places were Phillip Island, Sovereign Hill and the Snowfields:
  - 35% of Indian visitors were planning to go to (or had been to) the Penguin Parade at Phillip Island without hosts, followed by 31% to Sovereign Hill.
  - 30% of Indian visitors had been to (or were planning to go to) the Snowfields, including Lake Mountain, Mt Buller and/or Mt Baw Baw. The same proportion noted interest in Wilsons Promontory National Park.
  - 29% of Indian visitors had been on a day trip to the Great Ocean Road and 25% had been on an overnight trip to the High Country without their hosts.
FIGURE 1: VICTORIA’S REGIONS AND MAJOR ATTRACTIONS
WHAT DID THEY DO ON THEIR VISIT?

ATTR ACTIONS AND ACTIVITIES

**CHINESE**

- Chinese visitors in particular were very interested in having quintessentially Australian experiences including patting a kangaroo and holding a koala.
- 44% of Chinese visitors went to Melbourne Zoo with their hosts, and 47% went to Sea Life Melbourne Aquarium with their hosts.
- 42% of Chinese visitors went to the Queen Victoria Market with their host.
- 32% went to the CBD Shopping Precinct by themselves, together with the Sea Life Melbourne Aquarium (also 32%); the Queen Victoria Market (31%); and the Melbourne Museum (Royal Exhibition Building) (29%).
- 48% of Chinese visitors went to a café or restaurant with their host, but only 20% went by themselves.

**TRANSPORT**

- 61% of Chinese visitors travelled in a private vehicle driven by the host.
- The second most common mode of transport was public transport (47%), followed by a rental vehicle (42%).

**INDIAN**

- 52% of Indian visitors went to Melbourne Zoo with their hosts, and 27% went by themselves.
- 40% of Indian visitors went to the CBD Shopping Precinct with their hosts, and 30% went to the Queen Victoria Market by themselves.
- 57% of Indian visitors went to a café or restaurant with their host, but only 22% went by themselves.
- 46% of Indian visitors went to the Melbourne Cricket Ground (MCG) with their hosts, and 27% went by themselves.

**TRANSPORT**

- 63% of Indian visitors travelled in a private vehicle driven by the host.
- The second most common mode of transport was a rental vehicle (54%), followed by a taxi (51%).
WHAT DID THEY THINK OF VICTORIA AND AUSTRALIA?

**CHINESE**

- 85% of Chinese hosts were likely or very likely to recommend Victoria, compared to 99% of Chinese visitors.
- Chinese hosts and visitors have found Australia to be welcoming of migrants and to foster a warm, multi-cultural environment where new migrants are able to integrate with their neighbours:
  - 42% of Chinese hosts and 51% of Chinese visitors strongly agreed that Victoria provided a multi-cultural experience.
- Chinese hosts and visitors also commented on the great unspoilt natural beauty of Australia and Victoria, and its pure, pristine environment:
  - Chinese visitors most commonly associated Victoria with beautiful scenery, landscapes and wildlife (23%), and this was the third most common response for Chinese hosts (12%).
- Chinese hosts and visitors expressed surprise that Melbourne was not as cosmopolitan as they had expected, and found Melbourne’s buildings to be ‘quaint’ and old-fashioned compared to major Chinese cities, with limited shopping opportunities.
- Only 26% of Chinese hosts and 33% of Chinese visitors strongly agreed that Victoria had good shopping opportunities, which was among the lowest of all the ratings they gave.

**INDIAN**

- 93% of Indian hosts were likely or very likely to recommend Victoria, compared to 100% of Indian visitors.
- Indian hosts reported that, before moving to Australia, they had expected that it would provide good opportunities for jobs, a good work/life balance, and that it was a good place to raise their children. Indian visitors also commented that the main reason for them to visit Australia was to see their family:
  - 42% of Indian hosts and 71% of Indian visitors strongly agreed that Victoria offered great opportunities for them and their family.
- As with the Chinese market, Indian hosts and visitors were attracted to Australia because of its peaceful and beautiful environment which is relatively untouched. Often their perceptions were informed by iconic images such as the Great Ocean Road, and movies and television they have seen about Australia:
  - 48% of Indian hosts and 68% of Indian visitors strongly agreed that Victoria had a range of natural, interesting landscapes and wildlife.
  - 42% of Indian hosts and 69% of Indian visitors strongly agreed that Victoria offered a clean and safe environment.
- Indian hosts and visitors recognised a connection between Indians and Australians over a shared passion for cricket, and this made them curious to meet Australians and experience the country’s culture.
- Despite this potential opportunity to use cricket as a drawcard for the Indian market, Indian visitors gave the statement “Victoria offers major sporting events” among the lowest ratings, with only 46% strongly agreeing (42% for Indian hosts).
OPPORTUNITIES

1. In many cases, VFR travellers were coming to Victoria with a view to investigating becoming a future resident, for study, work or retirement. Opportunities include making this reconnaissance as easy as possible.

2. Most were not coming as a traditional holiday traveller, so tourism experiences were not necessarily top-of-mind for motivation or planning. Aim communications at the hosts, with itinerary ideas written with this hosting role in mind (e.g. day trips showing off the best of Victoria for first-time visitors).

3. Often, the host pays for the visitors’ experience (particularly for the Indian market) – and often hosts have used up their annual leave to look after their visitors. Hosts want to get good value from this time and from their financial investment, so consider how to instil confidence in the experience and in their role as an ambassador for Victoria and for Australia.

4. Hosts prefer to choose proven tourism experiences for their visitors. Most often the host has been there before and experienced it personally, or it was recommended to them by someone they trust. Consider how to encourage Chinese and Indians living in Melbourne to try new tourism experiences and destinations to expand their repertoire.

5. Word-of-mouth and social media is very important, and therefore it is important to continue to make it easy to generate and distribute content.

6. Make visitors and hosts aware of available online resources in relevant languages, and encourage sharing of these within their communities.

7. For the China market, a larger number were interested in information in Mandarin than English. English was strongly preferred by the Indian market, over Hindi.

8. Make it easy for visitors to have tourism experiences without relying on their hosts. This could include easily accessible, relevant resources available for hosts to pass on to their visitors (e.g. downloadable day trip itineraries and ideas for spending time when the host is unavailable. For example, shopping/shopping centres, including transport options/timetables).

9. Improve confidence and ability of visitors to use public transport. For example, public transport access translated and mapped out.

10. Investigate opportunities to convert day trips to overnight stays. Access to information on self-contained accommodation might help, as Chinese and Indian hosts and visitors prefer to cook for themselves. Their dietary requirements are not always readily met outside of the home.

11. Food was an important consideration for both Chinese and Indian hosts and visitors. While they want the opportunity to experience Australian cuisine, for the most part they want food that is familiar to them and meets their dietary requirements. Consider how to make it easier for Chinese and Indian hosts and visitors to eat out by working with the hospitality industry for options such as translated menus, or front-of-house staff who speak Mandarin.

12. For the Indian market, cricket was a driver for travel and something our countries have in common. Explore ways the cricket culture could be leveraged to encourage hosts to travel more domestically/regionally.

13. Consider whether there is an opportunity to further promote existing events and/or invest in events that appeal to the Chinese market (Spring lantern festivals, lunar New Year celebrations etc).

14. Targeted communications via specific publications and online channels, and/or using relevant (local) ambassadors and influencers will assist in convincing both hosts and visitors of the investment in time and money. This could be particularly useful for encouraging regional dispersal.

15. Once here, itineraries that are developed with the visitors in mind including in-language for the Chinese market and easy-to-follow directions (by road and public transport) will assist with planning the trip once the visitors arrive.
RESEARCH APPROACH

The research targeted international VFR visitors from China and India and hosts originating from China and India and now living in Victoria. The research design included two stages:

- The qualitative research consisted of 16 paired depth interviews (eight Chinese and eight Indian) conducted with a VFR visitor and their host from the same travel occasion held from late April to late May 2016.

- The quantitative research was conducted through two online surveys: a survey of VFR visitors from China and India (n=100 from each country); and a separate survey of hosts of VFR visitors from China and India (n=130 from each country). The quantitative research was held from early August to early September 2016.

The information in this summary was taken from the full report which is available on request from Tourism Research Australia (tourism.research@tra.gov.au).