

CHARACTERISTICS OF TRAVELERS FROM HONG KONG TO CALIFORNIA - 2014

Hong Kong was one of California’s smaller overseas markets with approximately 60,000 visitors to California in 2014. Collectively visitors from Hong Kong spent approximately \$138 million in California.

During 2014 visitors to California from Hong Kong reported spending \$122 per day during an 18.9 night average stay or approximately \$2,300 per visitor. The average spending for all overseas visitors to California was about \$1,872 (\$153 per day; 12.2 nights in California).

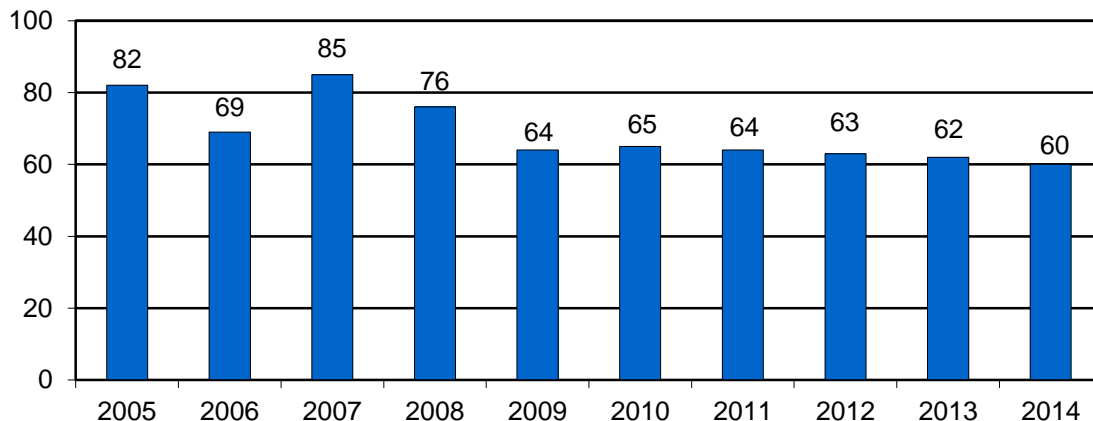
Visitors From Hong Kong

| Year | Total U.S. Arrivals ¹ | California Market Share ² | Visitors to California (est.) |
|------|----------------------------------|--------------------------------------|-------------------------------|
| 2004 | 123,335 | 49.5% | 61,000 |
| 2005 | 135,108 | 60.7% | 82,000 |
| 2006 | 137,278 | 50.3% | 69,000 |
| 2007 | 142,419 | 59.7% | 85,000 |
| 2008 | 139,159 | 54.5% | 76,000 |
| 2009 | 116,023 | 55.2% | 64,000 |
| 2010 | 131,712 | 49.4% | 65,000 |
| 2011 | 128,512 | 49.8% | 64,000 |
| 2012 | 133,104 | 47.3% | 63,000 |
| 2013 | 122,134 | 50.8% | 62,000 |
| 2014 | 122,226 | 49.1% | 60,000 |

1) U.S. Dept. of Homeland Security, Form I-94, Non-Resident Arrival Records.

2) U.S. Dept. of Commerce, National Travel and Tourism Office, "Survey of International Air Travelers."

Number of Visitors from Hong Kong to CA, 2005-2014 (in 000s)



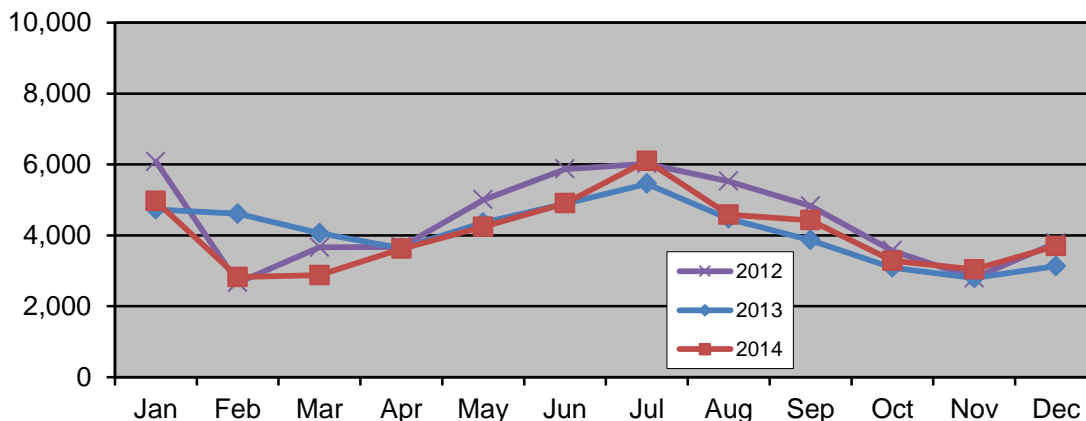
Sources: U.S. Dept. of Commerce, National Travel and Tourism Office, Survey of International Air Travelers, Revised by Tourism Economics for Visit California (October, 2015).

The volume of visitors to California from Hong Kong tended to be over 100,000 from the 1990's through 2001. The volume of visitors peaked in 1996 with 141,000 visitors to California from Hong Kong. Since then, the volume has slowly decreased to a low of 61,000 visitors to California from Hong Kong in 2004, increased to a high of 85,000 in 2007, and has since slowly decreased again to 60,000 in 2014.

Hong Kong Arrivals at California Airports

Monthly volumes of port-of-entry passenger arrivals from Hong Kong to California were similar in 2014 compared with 2013 and 2012. In general, Hong Kong resident arrivals at California ports-of-entry peaked in January and during the summer months. In 2014 the lowest volumes were recorded in February, March, and November.

**Residents of Hong Kong
Monthly Port of Entry Arrivals to CA
2012-2014**



Sources: U.S. Department of Homeland Security, I-94 International Arrival Records, CIC Research, Inc., Visitor volume and spending estimates for California were prepared by Tourism Economics under a separate contract to Visit California.

Comparisons with Overseas Visitors

Detailed trip and traveler characteristics of visitors from Hong Kong are provided in the following table. The table also includes trip and traveler characteristics of all overseas visitors to California for comparative purposes.

Compared to all overseas visitors to California, travelers from Hong Kong are more likely to:

- Travel to California to visit friends or relatives, or for business reasons
- Plan their trip using information from the airlines
- Plan and book their trip with information from a travel agency office
- Have decidedly lower trip planning and advance airline booking horizons
- Mention previous good experience or safety reputation as the main factor in selecting an airline
- Travel in executive/business class
- Travel alone
- Stay in a private home
- Stay in California for most of their time in the U.S.
- Visit San Francisco as part of their U.S. trip
- Make use of an auto, private or company for transportation while in the U.S.
- Spend dollars per visitor per trip while in California
- Use cash from home/travelers checks to pay for trip expenses
- Have an older median male age
- Work in a management, business, science and arts occupation
- Have a higher average annual household income

Conversely, visitors from Hong Kong are less likely to:

- Travel to California for vacation/holiday purposes
- Plan their trip with information from an online travel agency
- Book their air trip with an internet booking service
- Choose an airline based on non-stop flights
- Travel in economy/tourist/coach
- Use a travel package
- Stay in a hotel/motel
- Be on their first trip to the U.S.
- Visit Los Angeles, Las Vegas or New York City as part of their U.S. trip
- Experience many of the listed leisure activities
- Make use of a rented auto or a bus between cities for transportation while in the U.S.
- Make use of a cash advance/withdrawal from a credit card to pay for trip expenses

Characteristics of Travelers from Hong Kong to California, 2014

| Trip & Traveler Characteristics | All Overseas Visitors* (n = 8,032) | All Visitors from Hong Kong (n = 137) | Leisure Visitors from Hong Kong (n = 75)*** |
|-------------------------------------|--|--|--|
| Primary Purpose of Trip | | | |
| Vacation/Holidays | 54% | 13% | 23% |
| Visit Friends/Relatives | 18% | 45% | 77% |
| Business | 13% | 22% | - |
| Convention/Conference | 8% | 11% | - |
| Other Purpose | 7% | 9% | - |
| Total | 100% | 100% | 100% |
| Purpose of Trip** | | | |
| Vacation/Holidays | 66% | 41% | 50% |
| Visit Friends/Relatives | 34% | 63% | 87% |
| Business | 18% | 25% | 1% |
| Convention/Conference | 12% | 14% | - |
| Sources Used to Plan Trip** | | | |
| Airline | 43% | 58% | 66% |
| Online Travel Agency | 32% | 23% | 20% |
| Travel Agency Office | 25% | 35% | 32% |
| Personal Recommendation | 29% | 32% | 39% |
| Travel Guide | 15% | 11% | 14% |
| Corporate Travel Department | 12% | 10% | 3% |
| Tour Operator/Travel Club | 10% | 5% | 6% |
| National/State/City Travel Office | 8% | 13% | 17% |
| Advance Planning for Trip | | | |
| 7 days or less | 5% | 7% | 6% |
| 8 - 30 days | 25% | 34% | 28% |
| 31 - 60 days | 19% | 32% | 31% |
| 61 - 90 days | 15% | 10% | 12% |
| More than 3 Months | 36% | 17% | 23% |
| Total | 100% | 100% | 100% |
| Average Planning Time in Days | 106 days | 62 days | 71 days |
| Advance Airline Reservations | | | |
| 7 days or less | 9% | 12% | 7% |
| 8 - 30 days | 35% | 49% | 38% |
| 31 - 60 days | 19% | 20% | 29% |
| 61 - 90 days | 12% | 10% | 17% |
| 91 - 120 days | 8% | 4% | 2% |
| 121 - 180 days | 10% | 4% | 6% |
| 6 Months or More | 8% | <1% | 1% |
| Total | 100% | 100% | 100% |
| Average Booking in Days | 74 days | 44 days | 53 days |

* Overseas visitors to the U.S. do not include visitors from Canada or Mexico.

** Multiple response question. The column may sum to more than 100%.

*** Caution – Small sample size

Source: U.S. Dept. of Commerce, National Travel and Tourism Office, "Survey of International Air Travelers."

**Characteristics of Travelers from Hong Kong to California
(2014 - cont.)**

| Trip & Traveler Characteristics | All Overseas Visitors* (n = 8,032) | All Visitors from Hong Kong (n = 137) | Leisure Visitors from Hong Kong (n = 75)*** |
|---|--|--|--|
| Means of Booking Air Trip** | | | |
| Travel Agency Office | 29% | 42% | 48% |
| Airlines Directly | 29% | 34% | 42% |
| Internet Booking Service | 27% | 9% | 11% |
| Corporate Travel Department | 12% | 19% | 3% |
| Tour Operator/Travel Club | 10% | 2% | 2% |
| Other | 1% | - | - |
| Main Factor in Selecting Airline | | | |
| Airfare | 31% | 33% | 37% |
| Non-Stop Flights | 19% | 6% | 7% |
| Convenient Schedule | 14% | 15% | 9% |
| Mileage Bonus/Frequent Flyer Program | 8% | 4% | 5% |
| Previous Good Experience | 6% | 15% | 18% |
| Safety Reputation | 6% | 11% | 13% |
| Loyalty to Carrier | 3% | - | - |
| Other | 3% | 3% | 2% |
| Employer policy | 2% | 4% | - |
| In-flight Service Reputation | 2% | 6% | 6% |
| On-time Reputation | 5% | 3% | 3% |
| Total | 100% | 100% | 100% |
| Airline Seating Area | | | |
| Economy/Tourist/Coach | 83% | 68% | 64% |
| Executive/Business | 9% | 22% | 26% |
| Premium Economy | 8% | 8% | 10% |
| First Class | 1% | 2% | - |
| Total | 100% | 100% | 100% |
| Use of Package | | | |
| Yes | 15% | 6% | 9% |
| No | 85% | 94% | 91% |
| Total | 100% | 100% | 100% |
| Travel Package Includes** | | | |
| Airfare and Accommodation Only | 7% | 2% | 1% |
| Attractions/Events/Entertainment | 6% | 2% | 3% |
| Bus/Coach | 6% | 1% | 2% |
| Cruise | 6% | 4% | 7% |
| Guided Tours | 5% | 2% | 3% |
| Meals | 4% | 1% | 2% |
| Recreation | 2% | 1% | 1% |
| Rental Car | 2% | - | - |
| Tour Guide for Entire Trip | 2% | 1% | 2% |

* Overseas visitors to the U.S. do not include visitors from Canada or Mexico.

** Multiple response question. Travel package must include airfare and accommodation and may include others.

*** Caution – Small sample size

Source: U.S. Dept. of Commerce, National Travel and Tourism Office, "Survey of International Air Travelers."

**Characteristics of Travelers from Hong Kong to California
(2014 - cont.)**

| Trip & Traveler Characteristics | All Overseas Visitors* (n = 8,032) | All Visitors from Hong Kong (n = 137) | Leisure Visitors from Hong Kong (n = 75)*** |
|---|--|--|--|
| Travel Companions** | | | |
| Traveling Alone | 59% | 68% | 64% |
| Spouse/Partner | 22% | 19% | 22% |
| Family/Relatives | 15% | 9% | 14% |
| Friends | 6% | 4% | 4% |
| Business Associates | 3% | 2% | - |
| Tour Group | 1% | 1% | 1% |
| Average Travel Party Size | 1.7 | 1.5 | 1.6 |
| Median Travel Party Size | 1.0 | 1.0 | 1.0 |
| Type of Lodging** | | | |
| Hotel / Motel | 76% | 53% | 43% |
| Private Home | 30% | 61% | 81% |
| Other | 6% | 4% | 6% |
| Length of Stay | | | |
| Mean Nights in the U.S. | 23.4 nights | 23.0 nights | 22.7 nights |
| Mean Nights in California | 12.2 nights | 18.8 nights | 17.3 nights |
| % of California Nights | 52% | 82% | 76% |
| Prior Visitation to the U.S. | | | |
| First Trip to the U.S. (% Yes) | 27% | 14% | 12% |
| Average Trips to the U.S. in Past Year | 1.7 trips | 1.9 trips | 2.0 trips |
| Average Number of States Visited | 2.1 states | 1.6 states | 1.6 states |
| Average Number of Destinations Visited | 3.1 dest. | 2.3 dest. | 2.5 dest. |
| Places Visited in the U.S.** | | | |
| Los Angeles | 62% | 52% | 60% |
| San Francisco | 44% | 50% | 57% |
| Las Vegas | 29% | 21% | 18% |
| New York City | 16% | 3% | 3% |
| San Diego | 14% | 9% | 6% |
| Anaheim-Santa Ana | 8% | 7% | 8% |
| Flagstaff-Grand Canyon-Sedona | 7% | 3% | 5% |
| San Jose | 6% | 10% | 9% |
| DC Metro Area | 5% | - | - |
| Monterey-Salinas | 4% | 1% | 2% |
| Oahu | 4% | - | - |
| Santa Barbara | 4% | - | - |
| Riverside/San Bernardino | 3% | 2% | 2% |
| Chicago | 3% | 1% | - |
| Seattle | 3% | 7% | 6% |
| Sacramento | 3% | - | - |
| Miami | 3% | 1% | 2% |

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** Multiple response question. The column may sum to more than 100%.

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Source: U.S. Dept. of Commerce, National Travel and Tourism Office, "Survey of International Air Travelers."

**Characteristics of Travelers from Hong Kong to California
(2014 - cont.)**

| Trip & Traveler Characteristics | All Overseas Visitors* (n = 8,032) | All Visitors from Hong Kong (n = 137) | Leisure Visitors from Hong Kong (n = 75)*** |
|---|--|--|--|
| Activities Experienced While in the U.S.** | | | |
| Shopping | 89% | 86% | 89% |
| Sightseeing | 83% | 77% | 81% |
| National Parks/Monuments | 52% | 29% | 34% |
| Experience Fine Dining | 44% | 53% | 56% |
| Small Towns/Countryside | 43% | 33% | 39% |
| Amusement/Theme Parks | 40% | 26% | 29% |
| Historical Locations | 35% | 26% | 26% |
| Guided Tours | 33% | 12% | 13% |
| Art Gallery/Museums | 31% | 22% | 19% |
| Casino/Gamble | 24% | 23% | 20% |
| Cultural/Ethnic Heritage Sites | 21% | 12% | 15% |
| Concert/Play/Musical | 20% | 3% | 5% |
| Transportation While in the U.S.** | | | |
| Air Travel between U.S. Cities | 45% | 38% | 31% |
| Rented Auto | 44% | 31% | 27% |
| Auto, Private or Company | 38% | 51% | 54% |
| City Subway/Tram/Bus | 31% | 33% | 21% |
| Taxicab/Limousine | 31% | 28% | 21% |
| Bus between Cities | 19% | 10% | 10% |
| Ferry/River Taxi/Srt. Scenic Cruise | 10% | 13% | 7% |
| Railroad between Cities | 7% | 9% | 4% |
| Rented Bicycle/Motorcycle/Moped | 5% | 8% | --% |
| Cruise Ship/River Boat 1+ Nights | 4% | 5% | 8% |
| Motor Home/Camper | 2% | 6% | 4% |
| Visitor Spending in the U.S.**** | | | |
| CA Visitor Spending in the U.S. per Visitor | \$3,590 | \$3,644 | \$2,288 |
| Per Visitor Per Day (CA) | \$153 | \$122 | \$99 |
| Per Visitor/Trip (California) | \$1,872 | \$2,300 | \$1,870 |
| Spending by Category (Per Visitor/Trip) | | | |
| Accommodations | 30.4% | 29.1% | 14.3% |
| Air Transportation in the U.S. | 6.6% | 4.5% | 5.6% |
| Entertainment | 12.5% | 11.1% | 11.9% |
| Food/Beverages | 18.1% | 23.2% | 31.7% |
| Gifts/Souvenirs | 21.1% | 19.6% | 23.1% |
| Ground Transportation in the U.S. | 6.2% | 9.6% | 10.3% |
| Other | 4.9% | 2.9% | 3.1% |

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** Multiple response question. The column may sum to more than 100%

***Caution- Small sample size

**** Spending estimates were based on the SIAT data and revised by Tourism Economics for Visit California.

Source: U.S. Dept. of Commerce, National Travel and Tourism Office, "Survey of International Air Travelers."
CIC Research, Inc. and Tourism Economics

**Characteristics of Travelers from Hong Kong to California
(2014 - cont.)**

| Trip & Traveler Characteristics | All Overseas Visitors* (n = 8,032) | All Visitors from Hong Kong (n = 137) | Leisure Visitors from Hong Kong (n = 75)** |
|--|---|--|---|
| Payment Method for Trip Expenses | | | |
| Purchases Using Credit Card | 44% | 46% | 47% |
| Cash from Home/Travelers Checks | 27% | 44% | 46% |
| Cash Adv./Withdrawal Using Credit Card | 18% | 6% | 2% |
| Cash Adv./Withdrawal Using Debit Card | 6% | 1% | 1% |
| Purchases Using Debit Card | 6% | 2% | 4% |
| Total | 100% | 100% | 100% |
| Age | | | |
| Average Age - Males | 40 years | 48 years | 55 years |
| Average Age - Females | 38 years | 40 years | 42 years |
| Occupation | | | |
| Mgmt., Business, Science & Arts | 44% | 53% | 40% |
| Service Occupations | 11% | 7% | 12% |
| Student | 11% | 10% | 8% |
| Sales and Office | 11% | 7% | 5% |
| Retired | 8% | 10% | 18% |
| Homemaker | 4% | 5% | 9% |
| Prod., Trans., & Material Moving | 4% | 3% | 3% |
| Military/Government | 3% | 4% | 4% |
| Nat. Res., Const., & Maintenance | 2% | 2% | 1% |
| Other | 2% | - | - |
| Total | 100% | 100% | 100% |
| Annual Household Income | | | |
| Under \$20,000 | 15% | 11% | 9% |
| \$20,000 - \$39,999 | 13% | 7% | 9% |
| \$40,000 - \$59,999 | 14% | 6% | 1% |
| \$60,000 - \$79,999 | 11% | 12% | 13% |
| \$80,000 - \$99,999 | 10% | 4% | 7% |
| \$100,000 - \$119,999 | 9% | 14% | 6% |
| \$120,000 - \$139,999 | 6% | 4% | 5% |
| \$140,000 - \$159,999 | 4% | 11% | 19% |
| \$160,000 - \$179,999 | 3% | 4% | - |
| \$180,000 - \$199,999 | 2% | - | <1% |
| \$200,000 and over | 11% | 28% | 31% |
| Total | 100% | 100% | 100% |
| Average Annual Income | \$95,782 | \$156,851 | \$157,275 |

* Overseas visitors to the U.S. do not include visitors from Canada or Mexico.

** Caution – Small sample size

Source: U.S. Dept. of Commerce, National Travel and Tourism Office, "Survey of International Air Travelers."