

How beaches, nature and open spaces are expected to accommodate the Philippines' overseas tourism demand

Reopening of country's international airlift is key catalyst to recovery

"Post-crisis resumption of international travel is a key economic issue for the Philippines where tourism accounts for 12.7% of GDP. While domestic staycations are likely to be a short-term cash flow strategy for hotels and tourism establishments in the months ahead, the reopening of the overseas market is critical to stabilize this sector.

South Korea and China accounted for nearly half of the international visitors to the country last year, and mounting prospects are likely to see intra-regional travel coming back online later in the year. Latching onto this, a new consumer travel survey undertaken in key first tier cities across China shows that 61% of respondents would like to visit the Philippines within 2020.

According to the China Philippines Travel Sentiment Survey conducted in early May by leading hospitality consulting group C9 Hotelworks and Delivering Asia Communications, the key conclusion is that the first wave of international travelers are attracted to Philippine beach destinations, whose appeal has been enhanced by the Covid-19 self-isolation and social distancing mindset.

International Tourist Arrivals - Philippines



Source: Philippine Department of Tourism and C9 Hotelworks Research

Summing up, the new normal for travel and hotels is how social distancing should be about physical distancing and not removing the human element. The ongoing challenge is to address the heartbeat of hospitality which is social connections. Given the brand DNA of the Philippines is 'it's more fun', how will this will impact the travel experiences of international travelers remains a key question."

Bill Barnett, Managing Director, C9 Hotelworks

Key Takeaway Points

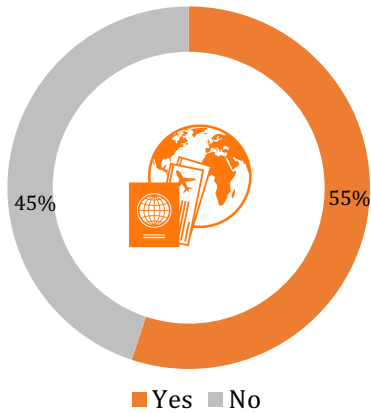
- Ranking preferred Philippine destinations by Chinese travelers, aside from Manila the key locations in order were all beach-type locations led by Boracay, Bohol and Cebu.
- 82% of early demand chose independent travel versus a tour group, with almost 30% opting for a five-day length of stay.
- Majority of Philippine travel budgets per person are in the range of USD710 - USD1,400 per trip.

Forward Outlook

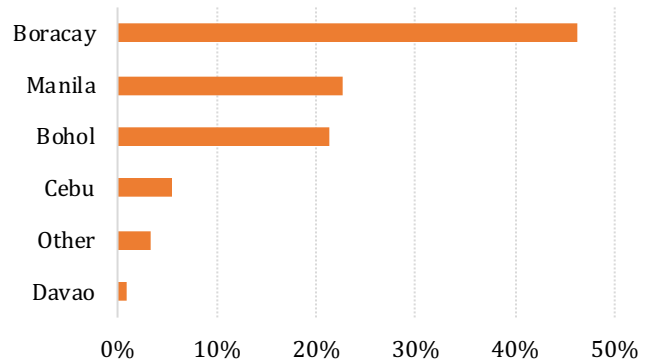
- Long-haul markets are not expected to return until next year. Tourism recovery relies on regional travel with shorter door-to-door flying time.
- Lower prices for domestic flights and value-added tour packages will be introduced as the Philippine Department of Tourism has been working closely with major airlines.
- A government budget of US\$278 million for Philippine tourism recovery has been approved.

China Travel to Philippines

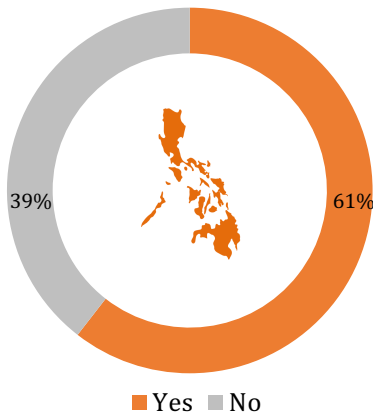
Do you plan to travel overseas in 2020?



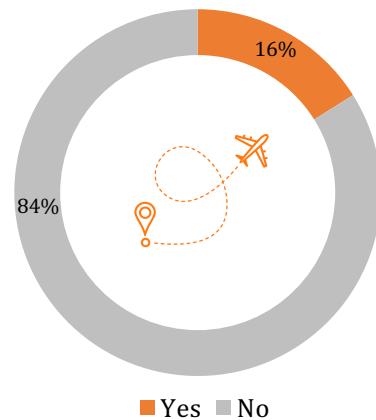
What destination in Philippines would you be most likely to visit?



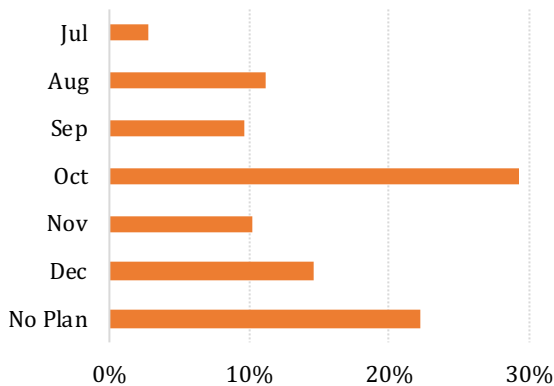
Would you travel to Philippines?



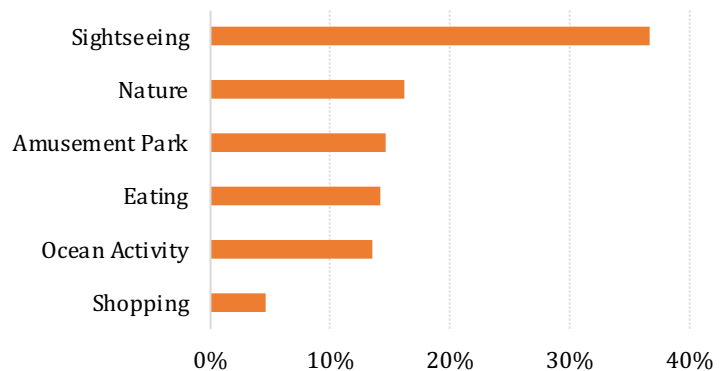
Have you visited the Philippines before?



Which month would you plan overseas travel within this year?



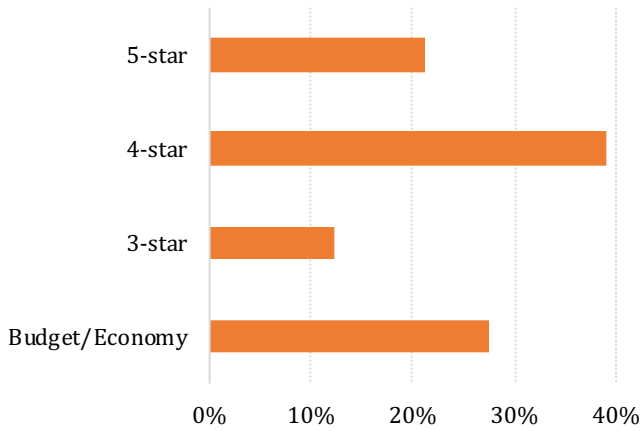
What is your primary interest when you visit Philippines?



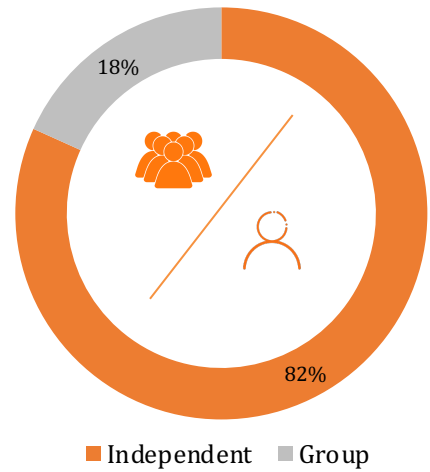
Source: C9 Hotelworks Market Research and Delivering Asia Communications

Travel Preference

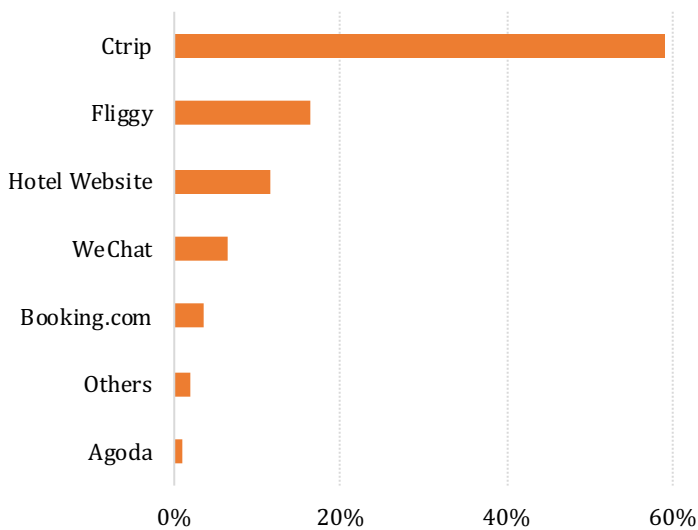
What type of hotel would you like to stay in?



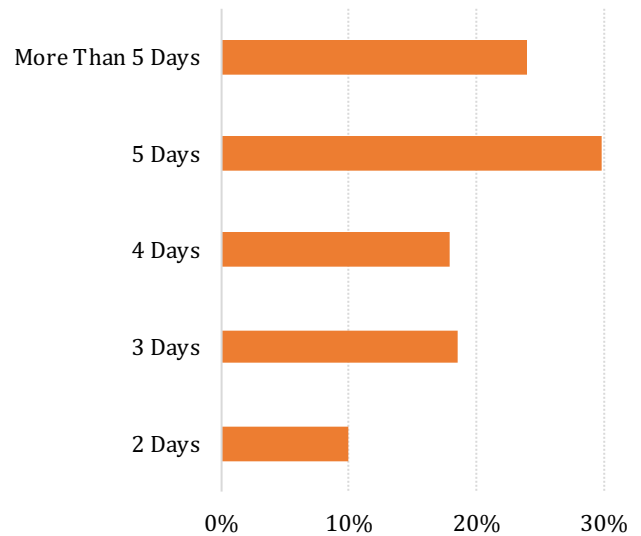
Which travel method do you prefer?



What is your preferred channel to book hotels?



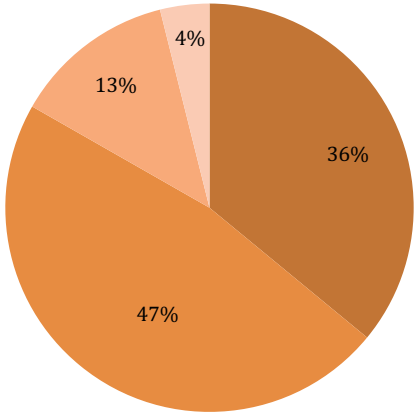
How many days would you stay?



Source: C9 Hotelworks Market Research and Delivering Asia Communications

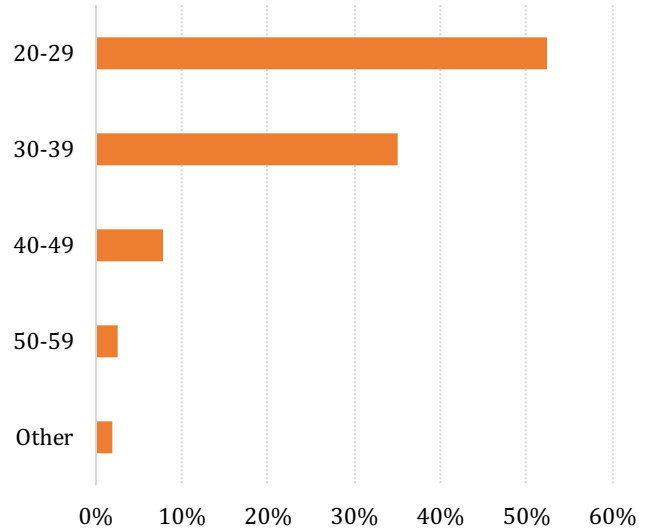
Respondent Profile

What is your travel budget for Philippines?

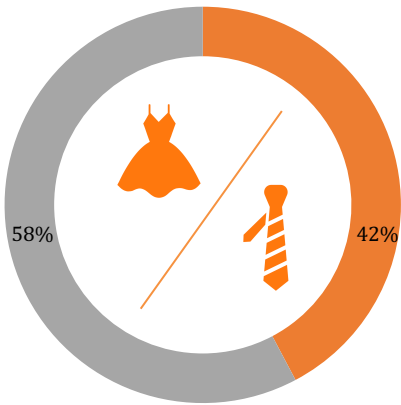


- 5,000 RMB (US \$710) per person
- 10,000 RMB (US \$1,400) per person
- 15,000 RMB (US \$2,100) per person
- Above 15,000 RMB (US \$2,100) per person

What is your age group?

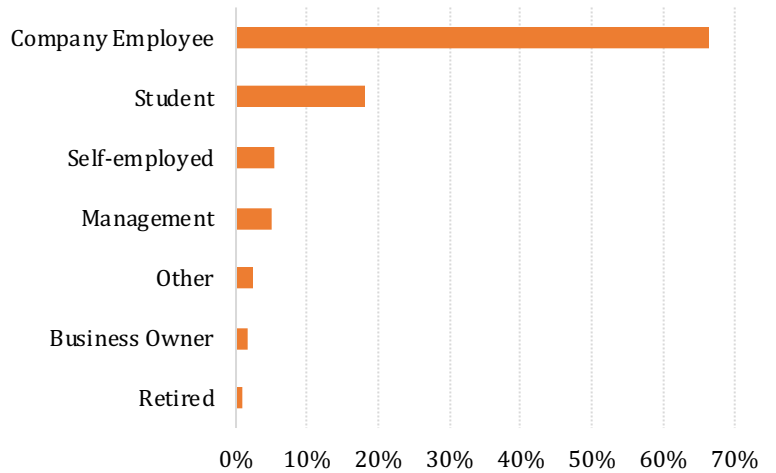


What is your gender?



- Male
- Female

What is your occupation?



Source: C9 Hotelworks Market Research and Delivering Asia Communications



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