



## China's outbound Tourism consumption and its influencing factors

Yuxin Xu<sup>a,b</sup>, Fang Chen<sup>a,b\*</sup>

<sup>a,b</sup> Department of Mathematics and Finance

Hunan University of Humanities Science and Technology Loudi, China

<sup>a</sup>School student

**Abstract:** In recent years, with the strengthening of China's comprehensive national strength and the rapid development of its economy, China has become the second largest economy in the world, the largest trading country in the world, and the largest consumption country in the world. China's tourism industry has also gained rapid development, not only that domestic tourism has entered a mature stage, Outbound tourism is also a hot topic in the current consumer market. There are still many problems that can not be ignored because of the short period of development of outbound tourism in China. According to the national conditions of our country, there are many reasons for influencing China's outbound tourism. For example, the improvement of policy, the development of economy, the increase of residents' income, the raising of consumption level and demand. Therefore, this paper discusses the current situation of China's outbound tourism, influencing factors, development suggestions and so on.

**Keywords:** Outbound tourism; Influencing factors; Eviews;

### Foreword:

Economic globalization is the trend of economic development in the world today, which not only has an impact on the development of our national economy and people's lives, but also creates opportunities and challenges for the development of tourism in China. In order to seek better and faster development of China's outbound tourism market, it is necessary to find out the factors that affect the development of outbound tourism, and further analyze and solve the problems.

### I. The development of China's outbound tourism consumption market

In 2017, the number of Chinese citizens traveling abroad exceeded 130 million and cost US \$115.29 billion to maintain the status of the world's largest source of outbound tourists. Dai Bin, president of the China Tourism Research Institute, said that under the "Belt and Road" initiative, "the year of Tourism," Tourism cooperation is closer and travel across national borders is becoming more and more convenient. Tourists are willing to increase spending on buying more high-quality tourism products, and the purpose of going abroad is to shift from sightseeing to enjoying quality living environment and services overseas. Traveling abroad at least once a year will become a new standard for the middle class of our country. Now China has become the largest source of tourists in more and more countries. According to the report, China has become the first largest inbound tourist destination in 10 countries such as Thailand, Japan, South Korea and Vietnam. Chinese tourists account for up to 30% of international tourists in these countries. China's outbound tourism is still in growth and has entered a new stage of "tourism promotion".

### II. The analysis of influencing factors on the demand of China's outbound tourism market.

#### (I) Analysis of macroeconomic factors

Although the outbound tourism of our country is still showing an increasing trend, with the development of the times, the obvious growth rate is decreasing slowly, and many problems exist in the tourism industry due to the diversity of factors affecting the outbound consumption.

First of all, the rise and development of outbound tourism is closely related to the level of economic development of a country. The study shows that when a country's per capita GDP reaches US \$1000, it produces a tourism motive for the countries in close proximity and neighboring countries, and when the per capita GDP exceeds US \$3000, The sustained development of the national macroeconomic provides a solid economic foundation and guarantee necessary for the rapid development of outbound tourism. However, in the form of good, sustained and stable economic development in China, The idea of residents spending travel abroad will be strengthened.



Secondly, the increase of income is the prerequisite for people to produce tourism demand. In addition to meeting basic living needs, the proportion of consumer expenditure of residents' income for enjoyment and development needs is beginning to increase, and people begin to pay attention to the changes from subsistence to enjoyment. The development-oriented shift in consumer spending for tourism has increased accordingly. There are usually several indicators that can be used to indicate a country's income levels. For example, per capita GDP, gross national income (GNI), disposable income (PDI), and so on. The resident disposable income is an important indicator reflecting the living standard of the residents, that is, the income that residents can freely dispose of, and it is also a factor to measure the income of outbound tourism in this article. The most appropriate indicator in the

The exchange rate change is also an important economic factor affecting outbound tourism. In China, many tourists who like to shop pay more attention to the exchange rate changes in the destination countries and regions. It will be more convenient for Chinese consumers to spend more internationally as they join the SDR in 2016. According to the year ended January 31, 2018. Data on the rise and fall of the RMB exchange rate against the exchange rates of various countries, The renminbi is fifth in appreciation against the dollar by 9%. The favorable exchange rate is also expected to affect outbound travel for the whole of 2018 Tour the market.

## (II) Model data analysis

In order to fully reflect the reasons for the rapid growth of China's outbound consumer market, the number of Chinese domestic residents leaving the country was chosen as the explained variable. According to the analysis of macroeconomic factors, "GDP" and "RMB / US dollar exchange rate" are selected as explanatory variables, since "resident disposable income" in income factors has been in effect since 2013. The National Bureau of Statistics has carried out a survey on income and expenditure and living conditions of households integrating urban and rural areas, which is different from the survey scope, methods and indicators of household surveys conducted before 2013 in sub-towns and rural areas. Then the data source is not complete, so this paper does not consider the impact of income factors. All the data are based on the National Bureau of Statistics Data from 2002 to 2016 were analyzed as samples.

The models are assumed to be:

$$Y_{ii} = \beta_1 + \beta_2 X_{2i} + \beta_3 X_{3i}$$

According to the model diagram between the explained variable and the explained variable, as shown in figure 1, the analysis shows that there is a positive correlation between the explained variable and the explanatory variable. That is, with the increase of explanatory variables, the explanatory variables will also increase by a certain extent.

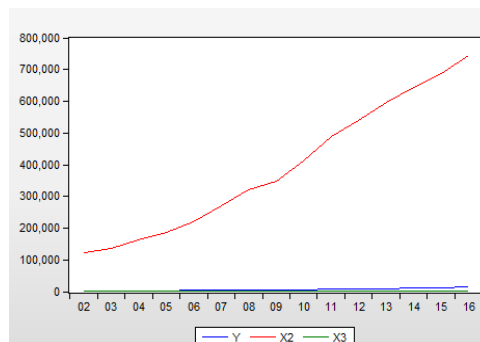


Figure 1: Model relationship between variables

Dependent Variable: Y  
 Method: Least Squares  
 Date: 03/25/18 Time: 15:11  
 Sample: 2002 2016  
 Included observations: 15

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-14686.03	2937.600	-4.999330	0.0003
X2	0.024301	0.001374	17.68766	0.0000
X3	16.13112	3.409244	4.731584	0.0005

R-squared	0.989324	Mean dependent var	6361.769
Adjusted R-squared	0.987544	S.D. dependent var	3964.428
S.E. of regression	442.4493	Akaike info criterion	15.19939
Sum squared resid	2349137.	Schwarz criterion	15.34100
Log likelihood	-110.9954	Hannan-Quinn criter.	15.19788
F-statistic	555.9946	Durbin-Watson stat	1.279638
Prob(F-statistic)	0.000000		

Figure 2: Regression results



Based on the data in figure 2, the results of the model estimate are as follows:

$$\hat{Y}_t = -14686.03 + 0.024301X_2 + 16.13112X_3$$
$$(2937.6000)(0.001374) (3.409244)$$
$$t=(-4.999330)(17.68766) (4.731584)$$
$$R^2 = 0.989324 \quad \bar{R}^2 = 0.987544 \quad F=555.9946 \quad n=15$$

The results of the model estimate show that the optimal degree of fitness is better than that of the other variables. Assuming that other variables remain unchanged, the average number of outbound tourists will increase by 2430.1 times for every 100 million yuan increase in GNP; An increase of one yuan against the dollar will increase outbound travel by an average of 161311.2 people.

### (III) Other factors analysis

According to Eviews analysis, there is a positive correlation between RMB exchange rate and the number of people leaving the country, but there are also the factors of holiday policy and tourism service.

After many years of changes and improvements, the vacations in China have increased and the working hours have been reduced. This provides a guarantee for the days of outbound tourism, and directly relates to the way of travel, the quality of accommodation, and so on, and then affects the outbound tourism consumption market.

The rapid development of outbound travel agencies in China has greatly promoted the development of outbound tourism in China. In recent years, tourism agencies have been constantly improving their management and innovation, both in terms of product quantity and product structure. Compared with the past, China has made great progress. In recent years, China's overseas consumption has become the first in the world. For this reason, China has become a popular source of tourists for many countries. Many countries have adopted simplification and convenience in visas. By the beginning of 2018, The number of countries and regions where ordinary passport holders can enjoy easy access to entry has increased to 66, including 12 countries with mutual visa-free access to ordinary passports.

## III. Suggestions on how to promote China's outbound Tourism consumption Market

### (I) Strengthening government macro-management

The government should adjust the outbound tourism policy in good time. On the one hand, in order to meet the increasing demand of Chinese citizens for outbound tourism; on the other hand, according to the current economic development of our country, the government should gradually relax the policy restrictions on outbound tourism. In order to provide necessary policy support for the development of outbound tourism, the government also needs to strengthen management, establish and perfect supervision and management, strictly manage the operation of outbound travel agencies, punish illegal operations and fraud strictly.

### (II) Enhancing the service capacity of tourist agencies

Tourism agencies should conduct systematic training for tour guides on the external side to strengthen the culture, customs, and language skills of the outbound countries. Secondly, tourism enterprises on one side of the inside must increase the planning of tourism images and adopt the design of product images. The development and mining of connotation make every effort to make the product form novel, thus increase the recognition degree of tourism products, attract the attention of tourists, and meet the needs of different levels of consumer groups.

### (III) To guide and cultivate the good behavior of outbound passengers

First of all, the irrational consumption of outbound tourism will be transformed into rational consumption. Through self-rational restraint, we will establish a scientific and good atmosphere and fashion for outbound tourism consumption in China. Raising public awareness of safety. Secondly, strengthening education on tourism crisis requires not only national efforts, but also building up this view from everyone's consciousness. Strengthen public safety study and training before leaving the country. Keep a risk-conscious perspective in your mind and be prepared to resist it.

## IV. Summary

With the strengthening of the policy and the increase of residents' income, the demand for outbound tourism of Chinese citizens will be further released, and their motives will be increasingly diversified, and the



demand for sightseeing, leisure vacations and cultural experiences will gradually increase. Generally speaking, China's outbound tourism development market still has huge potential and optimistic development prospects. At present, it is hoped that the government can strengthen management, tourism agencies can innovate and create new heights, and tourists can also improve their own quality and consumption concept. In this way, China's tourism will certainly be more vigorous development.

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