

# CHINA ONLINE TRAVEL MARKET: THE TRENDS TO WATCH

---

Authors:  
**Gary Bowerman**  
Director, Check-in Asia



# ABOUT

We bring together everyone in the travel industry, from small tech start-ups to international hotel brands, to form a community working towards a smarter and more connected travel industry.

Our mission is to be the place our industry goes to share knowledge and data so that travel and tech brands can work collaboratively to create the perfect experience for the modern traveler.

We do this through our network of global events, our digital content, and our knowledge hub - EyeforTravel On Demand.

## Our Values

We aim to enable the above by valuing impartiality, independent thought, openness and cooperation. We hope that these qualities allow us to foster dialogue, guide business decisions, build partnerships and conduct thorough research directly with the industry.

These principles have guided us since 1997 and will continue to keep us at the forefront of the industry as a vibrant travel community for many more years to come.

## Our Services

Our events are at the heart of EyeforTravel. These draw in experts from every part of the travel industry to give thought-provoking presentations and engage in discussions. It is our aim that every attendee takes back something new that can help their business to improve. This might be in the fields of consumer research, data insights, technological trends, or marketing and revenue management techniques.

Alongside this we provide our community with commentary, reports, white papers, webinars and other valuable expert-driven content. All of this can be accessed through one place – [the On Demand subscription service](#).

We are always expanding the content we create, so please get in touch if you want to write an article for us, create a white paper or webinar, or feature in our podcast by emailing [alex@eyefortravel.com](mailto:alex@eyefortravel.com).

## EyeforTravel by the Numbers

**80,000+ database contacts**

**2,000+ annual event attendees**

**100,000+ monthly online reach**

**1,000+ online conference presentations**

# CONTENTS

<b>About EyeforTravel</b> .....	<b>2</b>
Our Values .....	2
Our Services .....	2
EyeforTravel in Numbers.....	2
<b>1. Two Decades of Growth</b> .....	<b>4</b>
1.1. Chinese Travel Booking: The Next Phase .....	6
<b>2. The Online Players</b> .....	<b>8</b>
2.1. Ctrip .....	9
2.2. Meituan-Dianping .....	10
2.3. Qunar .....	11
2.4. Tongcheng-eLong .....	12
2.5. Fliggy.....	12
2.6. Tuniu .....	13
2.7. Klook.....	14
2.8. Lvmama.....	14
2.9. Booking Holdings.....	15
2.10. Alternative Accommodation Booking Platforms .....	15
2.10.1. Airbnb.....	15
2.10.2. Tujia.....	16
2.10.3. Xiaozhu.....	16
2.11. Trip Planning Platforms .....	17
2.11.1. Mafengwo .....	17
2.11.2. Qyer.....	17
2.12. WeChat .....	18
<b>3. The Battle for Data</b> .....	<b>19</b>
<b>References</b> .....	<b>20</b>

# 1. TWO DECADES OF GROWTH

From slow beginnings 20 years ago – when debit and credit cards, let alone QR code payments and social media marketing, barely existed in China and internet penetration was low – online travel has since developed into a complex, competitive and heavily invested-in sector.

The numbers continue to be eye-watering, 80 million border crossings were made by Chinese travellers in the first half of 2018, up 15.9% year on year, according to the China Outbound Tourism Research Institute, and on trend to match EyeforTravel's forecast of more than 160 million outbound Chinese trips in 2018. Meanwhile, 2.8 billion domestic tourist trips were made, with homegrown spending topping RMB2.45 trillion, according to China's National Development and Reform Commission. For investors, the overlap between domestic and overseas travel is considered the sweet spot that will drive online booking trends in future.

***The total of Chinese outbound travellers in 2018 is expected to comfortably exceed 150 million and likely reach over 160 million***

Online booking is now pivotal to China's coveted and closely watched tourism sector. China counted 375.78 million online travel bookers in 2017, up from 299.22 million in 2016. This growth is being boosted by rising urban discretionary spending, the broadening appeal of travel as a lifestyle imperative, and the nation's 'mobile-first' embrace of smartphone technologies, digital wallets and e-commerce. Online travel transactions totalled RMB225.6 billion (US\$32.94 billion) in the first quarter of 2018 (up from RMB219.99 billion in Q4 2017), according to China Internet Watch.

Over the past two decades, online distribution has driven the dramatic enlargement of Chinese tourism. Although the global travel industry has been bedazzled by China's rapid ascent to become the world's largest outbound market, the most dynamic growth is ongoing on the domestic front. According to Ctrip and the Chinese Tourism Academy, Chinese tourists spent USD123.4 billion on outbound travel in 2017, up 3% annually, but that figure pales with Chinese domestic tourism spending of USD911.8 billion (RMB 4.57 trillion), up 16% from 2016.

However, as stalwart OTA Tuniu noted in its 2017 annual report, "China's enormous size and population, imbalanced economic development and differences in consumer behaviour across the country have created a highly fragmented and diverse travel industry." This explains some of the unpredictability that is emerging in Chinese tourism, and also underpins the intricate web of stake purchases, share swaps and partner agreements that add layers of complexity to the online booking landscape.

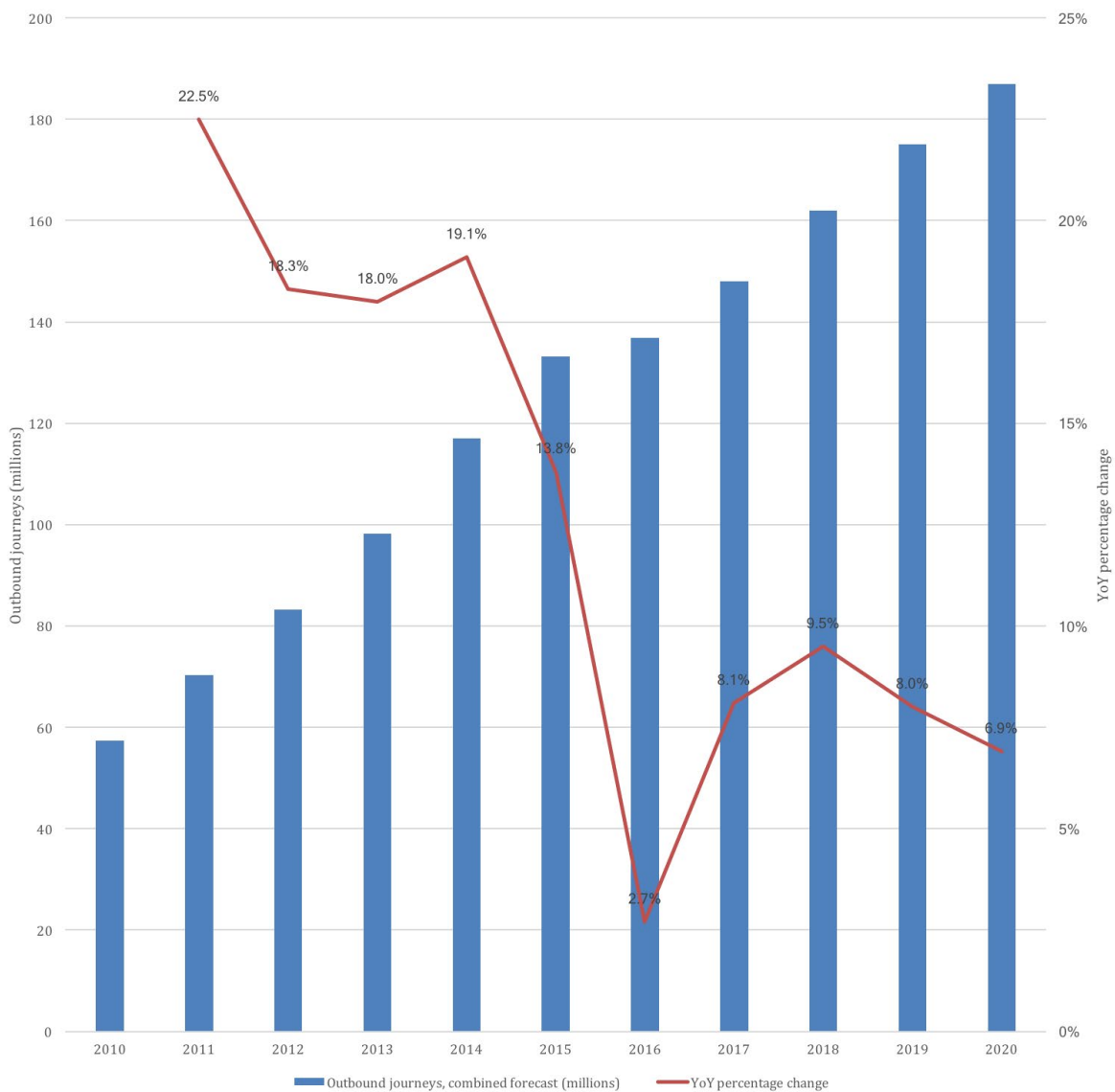
***Ctrip, Meituan, Qunar, Tongcheng-eLong and Fliggy accounted for 96.4% of online hotel bookings in the second quarter of 2018 (TrustData)***

Looking at who are the biggest beneficiaries of this market there are several core players ahead of the rest. In 2017, the Ctrip and Qunar apps together accounted for 53% of online booking, with Fliggy in third with 14%. The market shape is largely holding up, with Ctrip counting 10.94 million daily active users in June 2018, followed by Qunar, with 9.22 million, and Fliggy, at 2.21 million but the biggest bull to enter the ring recently has been Meituan-Dianping, which is recording strong growth but still some way behind the aforementioned main players.

Up to this point, travel booking in China has been dominated by ‘one-stop-shop’ OTAs, such as Ctrip, eLong, Qunar and Tuniu. That status quo is entering a stage of transformation. The surging ambition of all-encompassing “lifestyle marketplace” competitors Fliggy and Meituan-Dianping illustrates how the market’s inherent growth potential has pushed the BAT (Baidu, Alibaba and Tencent) triumvirate of online giants to raise their stakes. Meanwhile, trip planning, activity and home-share booking apps, and direct purchasing via social media are all contributing to the AI-powered disruption of China’s established travel distribution order. Hence, some analysts are calling this the “era of the Chinese SuperApps,” as Ctrip, Meituan and Fliggy guide online travel consumers into a new realm.

China’s next phase of online travel booking is witnessing fast-track diversification, driven by consumer demand for a broader sweep of activity-based travel and lifestyle services. Alibaba’s Fliggy, Tencent-backed Meituan Travel and the Ctrip-Tencent invested Tongcheng-eLong are investing to challenge the dominance of Ctrip, which itself is eyeing the global expansion of its Trip.com portal. At the same time, Booking Holding’s USD500 million investment in ride-hailing app Didi Chuxing, and USD200m stake in Southeast Asia’s Grab, plus the rise of WeChat as a distribution channel emphasise that Chinese travellers are being assiduously courted across all sectors of the travel journey, not just the pre-trip planning and booking phases.

Chinese Outbound Travel History and Projections 2010 to 2020



Sources: EyeforTravel, 2017; China Tourism Academy (COTRI) 2017



## 1.1. Chinese Travel Booking: The Next Phase

Despite its rapidly acquired scale and global profile, Chinese outbound tourism is still in a nascent stage of development. So, too, is demand for domestic travel, which is being boosted by investment in new tourism attractions, theme parks and hotels, the ongoing rollout of China's high-speed rail network, and the expansion of self-drive short breaks.

Meanwhile, the aspirations of Chinese travellers at home and abroad are changing as they experience more destinations, and tourism providers custom-create services to meet their vacation preferences. Chinese tourism is also shifting towards a more year-round model, although the two week-long public holidays (Chinese New Year and China National Day) remain the primary travel periods. Alongside these trends, holidaymakers from China's lower-tier cities are starting to exert the potential of their rapidly expanding spending power.

### ***6.5 million Chinese travelled overseas during the 2018 Spring Festival holiday, departing from 200 Chinese cities to over 700 cities in 68 countries (Ctrip)***

As a result, China's online travel terrain is broadening to encompass contiguous elements of lifestyle, retail, ride-hailing, home-sharing, dining, shopping and entertainment. It is also becoming more socially interactive, as consumers seek personal input and peer advice into their travel purchasing decisions, rather than simply searching and clicking to buy. Customization and personalization are considered tangible concepts, not just industry watchwords, to capture China's sought-after post-1980s and post-1990s demographics.

The battle to entice ever-more discerning Chinese travel consumers has resulted in online travel booking becoming awash with brand partnerships and promotions, cross-marketing and data-sharing and enhanced customer rewards programmes. Every travel provider, seller and aggregator is eager to emphasise that in a fragmenting market, they are creating direct relationships with Chinese consumers in their everyday lives in order to deliver the elevated levels of service that are habitually expected. Taken together, these factors suggest that self-booking trends will continue to evolve.

Here are six key factors influencing how online booking portals in China are researching, developing and acquiring new products and services to stay competitive in a highly dynamic sector.

#### **1) Extending into the Interior**

China is a gigantic country of nearly 1.4 billion people but online travel booking sprang from the select first-tier cities of Beijing, Shanghai, Guangzhou and Shenzhen, before filtering to major second-tier cities, like Hangzhou, Xiamen, Tianjin and Dalian. However, it is now gaining traction in lower-tier cities nationwide, especially those with airports offering international flights for outbound travel and high-speed rail routes for domestic travel. In essence, China's travel base is amplifying, while patterns of expenditure, destination choice, trip frequency and duration and booking mode preference are shifting, as can be seen in the five remaining factors.

#### **2) Experience Shopping**

Driven by Ctrip's dominance, online travel booking graduated towards the 'one-stop-shop' model, whereby well-researched travellers are able to book all aspects of a trip on the same OTA portal. While this continues to be the main for travel consumption, the co-existence of OTAs and newer socially-minded travel and lifestyle portals is enabling travellers to enjoy a more dispersed form of shopping, whereby they can pick their flights, accommodation, tours, activities, entertainment, car rentals, activities and shopping expeditions from a spread of apps and direct booking channels, and even via social media. In response, the so-called superapps are creating panoramic lifestyle marketplaces catering to almost every consumer need throughout the travel journey.

### 3) Online and Offline

While the digitized distribution landscape in China is expanding and diversifying, so too is the overlap between online and offline marketing and selling. This is most notable in lower-tier cities, where OTAs are seeking to maximise sales to both independent and group travel bookers. For example, Ctrip noted that the gross merchandise volume of its 8,000 so-called offline 'destination stores' grew "around 50% year-on-year in the first quarter of 2018," with the bulk of transactions coming from third and fourth-tier cities. This trend for travel aggregators to return to the high street is unlikely to stall anytime soon, particularly across China's developing interior travel markets.

### 4) Trip Frequency

As the combination of domestic and overseas travel has become entrenched in the urban perception of an aspirational lifestyle, the desire for more frequent trips is driving bookings into untapped areas of online travel. The desire among urban citizens to maximise the value of their leisure time by travelling is fuelling the appeal of weekend resort breaks, self-drive getaways, rural and eco-tourism and family theme park stays within China, and the expansion of flight routes to short-break destinations in Northeast Asia and Southeast Asia.

### 5) In-journey Booking

Chinese outbound travellers are renowned for their meticulous trip research and planning, and a preference for booking each element of their vacation in advance. A greater awareness of travel booking and lifestyle service options and a more experimental attitude towards vacation experiences is presaging growth in accommodation, transport, car rental, tour and activities bookings made during a foreign trip. This provides digitally-savvy travel providers with more opportunities along a clearly defined timeline to engage directly with Chinese travellers.

***In its 2018 Q2 earnings report, Tencent said it will expand the WeChat Mini Programs platform [which is a popular marketing tool for global travel providers] by integrating it with WeChat Pay to provide "customized solutions for a broader range of verticals"***

### 6) Payment Preference

A clear caveat for in-journey booking is the ability to accept Chinese digital payments, namely AliPay and WeChat Pay. These two e-wallet transaction systems are assimilated into almost every aspect of daily living in China. The world is now catching on, albeit slowly. Rarely a day passes without an international airline, hotel or tourism provider championing their newly acquired ability to process one or both of China's ubiquitous e-wallets. This process will continue apace over the next 12-18 months because the opportunity cost of missing out on Chinese cashless travel spend is considered too high.

## 2. THE ONLINE PLAYERS

For the foreseeable future, developments in China's mobile-first travel booking market will likely be driven by the deep-pocketed major marketplaces, with in-destination tours, activities and homesharing platforms and social commerce apps strengthening their ecosystems to attract more financing, open new growth windows across China's consumer economy and raise their value to stave off, or enhance, the likelihood of being acquired.

***“Mobile has become the main channel for online travel booking. The number of Chinese netizens conducting travel booking via a mobile phone in 2017 grew by 77.82 million, or 29.7%, from 2016”***  
(CNNIC)

Ctrip, Meituan Travel, Fliggy and a post-IPO Tongcheng-eLong will seek competitive advantage by leveraging the scale of their local and global travel supply chains. This will create plentiful opportunities to cross-sell new and innovative travel and lifestyle products and services to consumers, and to generate more accurate, real-time data to support marketing, branding and sales partnerships with leading travel brands.

Brand perception and disruptive innovation will be vital tools for the battle that lies ahead, and all Chinese online travel players are researching and developing AI-driven service enhancements, while anticipating demand shifts as domestic and outbound travel continue to evolve. In particular, OTAs are focused on:

- Striving to dominate the fast-growing in-destination tours and activities segment
- Diversifying the accommodation mix across hotels and homestays
- Making domestic and international transport by air, land and sea more seamless
- Linking big data, AI and transparent pricing to create customised tours matched to the customer's individual preferences and aspirations
- Expanding the range of DIY tours enabling consumers to self-guide their own personal journeys in countries worldwide
- Combining user generated reviews and imagery with virtual travel guides and augmented reality content
- Accelerating the utilization of AI, machine learning, chatbots and robotics across the travel industry
- Enhancing logistical capabilities across online and offline channels
- Integrating digital payment solutions into all phases of the travel journey
- Serving fast-growing niche segments, such as family travellers, self-drive vacationers, weddings and honeymooners, sports and events tourists
- Creating more high-visibility marketing and branding services, in addition to smart sales mechanisms, for global travel brands to engage with Chinese consumers



## Quotes from Three Leaders in China's Online Travel Sector

"We are a 'super-app' for the Chinese traveller, and our aim is to make Ctrip one of the largest travel companies in the world. We have achieved an online travel share in China of 60%, and 30% of our revenue is now from international travel, but online travel in China still has only a 20% penetration rate."

*Victor Tseng, Vice President, Corporate Affairs, Ctrip*

"Fliggy is a travel ecosystem. We emanated from Alibaba's Taobao and Tmall, but we are not a supermarket model – more like a shopping mall, with more than 100,000 global partners and 15 million overseas bookings in 2017. We approach travel from a lifestyle perspective rather than the traditional online-to-offline travel booking approach."

*Huang Yuzhou, VP and General Manager, Hotel Business, Fliggy*

"Meituan-Dianping is a one-stop lifestyle-based online service, and we offer a full range of travel products. We have 21 million transactions per day and 1.1 million active merchants, and a very big pool of young consumers across China. Meituan Travel represented 32% of the group's revenue in 2017, so it is very scaleable."

*Steven Shu, Chief Marketing Officer, Meituan-Dianping*

### 2.1. Ctrip

**Estimated user base:** 300 million

**Estimated market cap:** USD21.9 billion (Nasdaq, August 2018)

**Net revenue:** RMB 26.8 billion / USD4.1 billion (2017)



Set to celebrate its 20th anniversary in 2019, Ctrip is the largest online consolidator of travel and accommodation in China, and it claims to be the second-largest OTA in the world. Ctrip is the pre-eminent online travel player in China, and certainly part of the global 'big three', alongside Expedia and Booking Holdings.

Founded in Shanghai in 1999, and listed on NASDAQ in 2003, Ctrip conducted much of their operations in China until 2009 when they began expanding internationally. In 2018, Ctrip placed 18th on the Brandz Top 100 Most Valuable Chinese Brands list.

Ctrip's globalisation efforts have been stepped up in the past two years, with the purchase of Trip.com and Skyscanner, and investments in China Eastern Airlines, India's MakeMyTrip, Singapore-based Grab and Denver-based Boom Supersonic. In addition, partnerships with travel big hitters, ranging from Booking Holdings, iClick, Hyatt Hotels and KLM to Tourism Dubai, Splyt, Destination Canada and VisitBritain demonstrate elevated global ambitions.

While Ctrip have led the Chinese OTA market's outbound charge, which accounts for around 40% of their air ticketing volume, and is scaling up the positioning of their acquired Trip.com brand as the company's international portal, the premier market remains China's burgeoning domestic sector. They have invested in 8,000 offline 'destination stores' across China, which offer tours and travel products, plus points of sale for Ctrip and Qunar, they have also launched a hotel management brand, Rezen Hotels Group, and rolled out a booking app offering rail tickets, hotels, activities, theme park tickets and car rental specifically for travellers using China's high-speed rail network.

They have strong bargaining power across a huge hotel network, and are invested in one of China's 'Big Three' airlines. This has helped them record triple-digit flight sales growth over the last seven quarters. Their scale of technological infrastructure also creates competitive advantage.

Beyond China, Ctrip's access to international hotels via the Booking Holdings partnership provides a strong positional play, and it has launched a car rental service as more Chinese travellers seek the freedom of self-drive trips and a global gourmet dining guide.

***China counts the world's second largest air market, and is predicted overtake the US as the top market by 2024. From January-May 2018, Chinese airports handled 247.187 million domestic passengers, 4.528 million on Hong Kong/Taiwan/Macau routes and 25.904 million on international routes – all routes recorded double-digit yearly growth (CAAC)***

Ctrip have also opened regional call centres in South Korea and Scotland, and introduced their first travel concept store in Dubai. Entering marketing deals with tourism, hotel and airline partners enhances their market access and brand status, and delivers bespoke services and exclusive travel experiences to their customers. Tailored experiences are viewed as a high-growth segment, with customised travel services recording 130% revenue growth between Q1 and Q2 of 2018.

## 2.2. Meituan-Dianping

**Estimated user base:** 310 million

**Estimate Net Cap:** USD50 billion (following its September 2018 IPO, which raised USD4.2 billion)

**Net revenue:** RMB33.9 billion US\$5.4 billion (2017)



Founded in 2010, Meituan initially offered group-buying hotel reservations before developing a stand-alone booking platform. In 2015, they expanded into the online travel sector having merged with Dianping, China's premier dining reviews and information service.

Backed by Tencent, Meituan-Dianping (of which, Meituan Travel is starting to assume a more assertive role) describes itself as "China's largest e-commerce platform for lifestyle services," integrating travel, shopping, transport (including ride-hailing and the Mobike bike sharing portal), accommodation, entertainment and movie tickets, dining and food delivery. Its investments into AI and data technologies aim to create a "one-stop travel platform for young travellers," and Meituan Travel claims to garner up to 80% of its customers from the group's sibling online food, dining and lifestyle services platforms.

China's online hotel booking sector is proving a furtive battleground, and by the end of 2017, Meituan Travel claimed 200 million room night bookings. In March 2018, it reported 22.7 million room bookings, surpassing Ctrip (11 million) for the first time. An inventory-sharing agreement with Booking Holdings and a joint campaign with Agoda have built a stronger framework to challenge Ctrip, as has a partnership with Xiaozhu.com, China's closest counterpart to Airbnb, to launch a new home-sharing format.

As a result, Meituan registered 49% year-on-year accommodation booking growth in the first half of 2018, a number that will raise concerns in the Ctrip boardroom. It followed this on by reporting in Q3 that it had surpassed total domestic room-nights sold across the entirety of the previous financial year, reaching 209.6 million. Year-on-year growth rate of room nights sold in Q3 was 34.8%. It also said that average daily rate for rooms sold had risen, helping increase revenues. However, gross transaction value for its in-store, hotel & travel businesses in the quarter rose by a more modest 13.9%, suggesting that its core market remains in the low-cost accommodation choices.

Outside of China, Meituan-Dianping has made strategic investments in Indonesia-based on-demand transport and delivery portal Go-Jek and Indian food service platform Swiggy, and established a vacation booking service with Club Med. In January 2018, they signalled their outbound intentions by publishing the Black Pearl Restaurant Guide, featuring 330 eateries in 22 Chinese cities, plus Bangkok, New York, Paris, Singapore and Tokyo. These have been built and reviewed expressly for Chinese diners.

In September 2018, Meituan-Dianping completed a USD4.2 billion IPO in Hong Kong, which pushed the company's market value above USD50 billion. This gave part of the cash boost needed to expand Meituan Travel locally and globally, pay off existing debt, close the gap between itself and Ctrip and fend off Alibaba's domestic challenge in China's fiercely contested food services sector. However, the Q3 2018 results were followed by a sharp dive in share values as operating losses tripled for the quarter compared to a year earlier, reaching nearly half a billion dollars. It therefore seems likely that Meituan-Dianping will devote more focus to the travel-related side of its business as a way to increase profitability given the depth of competition in its other business areas and continuing operating losses business-wide. The current world-leaders in the OTA space – Booking Holdings, Expedia, and Ctrip – all show the kind of sustainable profitability that Meituan-Dianping needs. Furthermore, Meituan's platform and existing travel business means this section of the company can be scaled without a huge amount of capital investment. Also, currently most of its room-night sales are to low-value domestic consumers, meaning there is room to move up the value chain. Expect Meituan-Dianping to increase in importance as a player in the online travel space across the medium term.

### 2.3. Qunar

**Estimated Market cap:** USD4.4 billion



Ctrip's dominance in the Chinese OTA sector was derived, in part, from their clearing the competitive path by acquiring weighty interests in two fierce rivals, Qunar and eLong. Founded in Beijing in 2005, Qunar developed as a travel search and information platform. In 2008, they launched an international flights search service, expanding the monthly user base to 28 million.

In June 2011, China's largest online search and AI technology company Baidu paid USD306 million to become Qunar's majority shareholder. Qunar listed on the Nasdaq in 2013, and transitioned into a one-stop mobile travel platform. Baidu directed its travel-related traffic directly to Qunar, whose expanded customer base reached 44.7 million monthly users and its app had registered 246 million downloads by September 2014. The deal also enabled Qunar to expand into bookings. This sparked an OTA price war that offered bargains for Chinese travel bookers but wreaked financial havoc on Ctrip, Qunar and eLong.

In October 2015, Ctrip and Baidu completed a share swap making Baidu the largest shareholder of Ctrip, controlling 25% of Ctrip's aggregate voting interest, while Ctrip gained control of 45% of Qunar's aggregate voting interest. Qunar's hotel bookings have benefited from Ctrip's capabilities, although Ctrip did inherit troubled relationships with major carriers, including Air China, Hong Kong Airlines and China Eastern Airlines.

Ctrip's investment in Qunar can be seen as an offensive tactic to curtail China's potentially ruinous OTA price war. It also enabled a significant, albeit costly, integration of technological resources and inventory, and helped Ctrip shore up its market share as Meituan-Dianping, Fliggy and, potentially, Tongcheng-eLong diversify their service ranges and customer acquisition strategies.

Meanwhile, Qunar – which delisted from the Nasdaq in May 2017 – is also leveraging its customer base to partner with global tourism providers, having signed a marketing deal in April 2018 with the Qatar Tourism Authority.

## 2.4. Tongcheng-eLong

**Estimated user base:** 120 million active users

**Estimate Net Cap:** USD1 billion

**Net revenue:** RMB25.2 billion (2017)



During its early years after the turn of the millennium, the Chinese travel booking market consisted mostly of state-managed agencies in primary cities. As online penetration grew, the emergence of Ctrip and eLong presaged the growth era for Chinese OTAs.

Founded in Beijing in 1999, the same year as Ctrip, the two companies duked it out for domestic hotel and flight bookings during the 2000s, while their attentions later embraced international travel. By 2003, eLong generated net revenues of USD8.99 million compared with Ctrip's USD20.92 million. In 2004, Expedia purchased a 30% stake in eLong, and the company also listed on the Nasdaq.

In 2012, Expedia ramped up its shareholding to 56%, while emerging Chinese online monolith Tencent acquired 16%. This gave Expedia a stronger, albeit short-lived, foothold in China's expanding travel sector. Tencent used the opportunity to offer hotel bookings to its vast database of WeChat and QQ social media users, and as a precursor to a more concentrated move into the travel sphere.

The rise of Qunar resulted in China's OTA sector entering a three-way price war, which hurt eLong in particular. In 2015, Expedia divested its entire shareholding to a consortium of investors including Ctrip, which became the largest shareholder with a 37.6% stake. In August 2015, Tencent Holdings said it planned to privatize eLong, to which Ctrip agreed.

During 2017, Tencent's manoeuvres became clearer, and in March 2018, eLong merged with Tongcheng (LY.com), with Ctrip owning 22.88% equity in the enlarged group and Tencent owning 24.92%. In June 2018, eLong-Tongcheng filed an IPO application in Hong Kong. Initial expectations were that the IPO would raise USD1 billion. However, this was brought downwards to USD800 million and priced towards the bottom of the estimated value according to Bloomberg reports as the offering came in the midst of poor performance from tech stocks and also on the Hong Kong exchange broadly. The stock then outperformed on its first day of trading, rising 14% and putting it 25% up from the initial value given at the IPO. Market volatility is high, however, and it remains to be seen whether this can be sustained beyond the time of writing for this report.

## 2.5. Fliggy

**Estimated user base:** 270 million registered users



A relative latecomer, Fliggy (Feizhu, or flying piggy, in Chinese) was revealed by Hangzhou-based Alibaba in November 2016 as the renamed iteration of its Alitrip online service, which had itself been formed from the restructure of Taobao Travel. The objective was to engage affluent Chinese millennials who view overseas travel as an integral part of their lifestyles. Widely perceived as China's hippest marketplace-style OTA, its flights, hotels, tours, bespoke experiences and visa application services primarily target new-gen outbound vacationers. For this reason, Fliggy says it is in the business of "global fun, not global travel," particularly as more than 50% of its customer base was born "in the 1990s or later."

As data becomes the golden currency of China's consumer sector, Fliggy's unquestioned benefit is that it nestles amid the cavernous Alibaba online ecosystem. By way of Alibaba's retail marketplaces and associated services, such as Taobao, Tmall, Youku, Ele.me and Koubei, Fliggy claims access to more than 600 million mobile monthly active users. Alibaba's consumer technology – including the AliPay digital payments system – is therefore seamlessly integrated into the daily lives of many Chinese urbanites.

Fliggy promotes itself as a multi-faceted online travel booking, marketing and service marketplace, and offers the popular app-based Pavilion interface, enabling users to navigate travel and tour options in a particular destination by clicking on the national or city pavilion. Travel providers increasingly utilise Fliggy as a sales and branding medium, especially during Alibaba's eye-wateringly successful Singles Day e-commerce festival on 11 November – which has been rebranded the Global Shopping Festival to mark its 10th anniversary in 2018, and Fliggy claims is the “the largest promotional festival in global travel” – to offer exclusive offers and discounts.

In 2018, Fliggy invested into China's fast-growing Bus365 intercity travel platform. It also announced strategic partnerships with American Airlines, Turkish Airlines, Singapore Airlines, Jetstar and Qantas, and Cathay Pacific signed a consumer analytics deal to research in-flight payment services. Fliggy also partnered with the Tourism Authority of Thailand to introduce smart-tech experiences for Chinese visitors, such as online tour guides and electronic ticketing.

In October 2018, Alibaba unveiled its latest future-focused disruption by opening the debut branch of a new hotel concept, called Feizhubuke, or FlyZoo, in Hangzhou featuring robot receptionists and facial recognition technology.

## 2.6. Tuniu

**Net revenues:** RMB2.19 billion



Founded in 2010, Tuniu is registered in the Caymen Islands and its operations are based in Nanjing. Tuniu describes itself as “a leading online leisure travel company in China” offering packaged tours (which accounted for almost three-quarters of net revenue in 2017), self-guided tours, and leisure travel services through its website and app.

In January 2016, it launched an open platform for air ticketing and hotel booking, and later added bus ticketing, car rentals and local tour operators in Chinese destinations such as Xiamen, Beijing and Changsha.

User generated content is a key feature of the service. At the end of 2017, the Tuniu website featured more than four million customer reviews and approximately 70,000 travel stories and destination guides. Tuniu has, however, incurred heavy net losses of RMB2,422.3 million in 2016 and RMB771.3 million in 2017. It reduced the net loss to RMB23.8 million in Q1 2018, compared to RMB226.2 million Q1 2017 but reported in its Q2 results that it expects revenue for Q3 to be 5% to 10% lower year-over-year.

In May 2018, Tuniu said its next phase of development will be to build a global destination services platform to complement its network of 420 departure cities throughout China. Tuniu plans to roll out a new destination channel and mini-apps, extend its partnerships with local tour operators in popular outbound destinations beyond its current agreements in Japan, Thailand and the US.

Tuniu's offline capabilities are also developing. They plan to add 20 new domestic tour operators by the end of 2018 in order to manage up to one million trips annually. Tuniu has also added new retail stores in China, taking its total to “308 offline retail stores in total” as of August 28, 2018, according to Q2 results. During the first quarter of 2018 its offline presence accounted for more than 10% of gross package tour sales.

## 2.7. Klook

**Net revenues:** USD1 billion (company statement August 2018)



Founded in Hong Kong in 2014 by former investment banker Ethan Lin, Klook is not a traditional OTA, but a good example of how the Asian travel market is reshaping. Klook do not sell flights or hotel rooms, but instead curate in-destination tours, activities and tickets for a variety of attractions. Their quirky and colourful branding and campaign strategies are targeted at engaging and retaining mobile-using millennial travellers, and more than 70% of their bookings are made on smartphones.

Klook's evocatively on-trend mission is to use "innovative technologies to help digitize the tours and activities industry... and empower travellers to build their own unique journey". While its more than 50,000 activities and services are largely geared towards vacation bookers from Hong Kong, China and Taiwan, Klook also sees opportunities for engaging international travellers, particularly in South East Asia. Their own technology enables holidaymakers to book after arriving in a destination and pay in 36 currencies by using QR codes or e-vouchers.

In August 2018, Klook completed a USD200 million funding round, with plans to step up the diversification of its the US and European product offerings, as it targets US\$1 billion in gross bookings during 2018. They currently count 16 offices in Asia, a technology hub in Shenzhen, plus bases in London and Amsterdam. Klook's investors include Goldman Sachs, Sequoia, Matrix Partners, an unnamed Asian sovereign wealth fund and Israel's OurCrowd. Definitely one to watch.

## 2.8. Lvmama

**Estimated users:** 300 million



Founded in 2008, Shanghai-based online travel and tourist attractions and sightseeing ticket service Lvmama mostly targeted China's so-called 'DIY' independent travellers from the outset. It was considered a bold move in a market that, at the time, was still recalibrating from a heavily package-centric travel mentality and self-bookers relied mostly on one-stop travel aggregators like Ctrip or eLong.

By 2012, it was operating from offices in Beijing, Chengdu, Guangzhou, Huangshan and Sanya. In 2014, Lvmama secured RMB300 million in funding from GX Capital, followed by RMB500 million invested by Chinese hotel group Jinjiang International. In late 2017, it reportedly raised CNY1 billion from Res Publica, followed by a further RMB2.1 billion, secured by Lvmama's parent company, Joyu Culture Media, to develop new technologies for its offline network of brick-and-mortar outlets.

In 2018, Lvmama became the official Chinese travel partner of Italy's Inter Milan football club (which has been majority owned since 2016 by China's Suning Group), and will jointly develop exclusive football-related itineraries, including trips to watch the team play in the legendary San Siro stadium. Lvmama has always prided itself on its long-sighted view of developments in Chinese tourism, and this high-profile sports tourism initiative will be closely watched by its larger and more diversified competitors.



## 2.9. Booking Holdings

Although not directly active in China's OTA terrain, Booking Holdings, owner of online brands such as Priceline and Agoda, have positioned themselves as a potent market influencer by making investments into established and emerging players. As Pepijn Rijvers, CMO of Booking has pointed out, "Partnership works well in China - we do a lot of that."

In June 2018, Booking further strengthened their relationship with Ctrip – in which they own a stake – with shared access to the companies' combined hotel inventory, allowing customers to select from a wider range of global products, and Gillian Tans, CEO of Booking.com, secured an observer seat on Ctrip's board of directors. Booking's OpenTable and Ctrip have also established a partnership giving Chinese travellers access to its North American restaurants. In addition, Booking have a hotel inventory sharing deal with Meituan-Dianping, in which they are also invested, an interest – alongside Fliggy – in home-rental portal Xiaozhu, and a strategic partnership with low-cost carrier Spring Airlines.

Booking's biggest blockbuster deal made global headlines in July 2018, when they invested USD500 million into Didi Chuxing, China's largest ride-hailing platform. They followed that up with a big ticket investment in Singapore-based Grab, enabling customers to tap into a portfolio of travel-related services across South East Asia. This approach exemplifies the ongoing shift in China's digital sector. The deal is a coup for Didi, rapidly diversifying their global touchpoints as it contemplates an IPO, and puts Booking apps in front of a huge new audience in China's domestic market. Didi have no pretensions in the online travel sector, but they are intent on globalizing. The deal means their vast customer base will be able to book hotels through Booking.com or Agoda, and hail rides using Booking's platforms.

The eye-watering cost aside, this was a bold strategic play by Booking that will have been carefully observed by Chinese OTAs, as it further assists Booking's bid to connect every segment of the traveller journey and win business through collaborative innovation – while yielding greatly enhanced access to Chinese consumers.

## 2.10. Alternative Accommodation Booking Platforms

### 2.10.1. Airbnb

**Estimated Net Revenues in China:** USD130 million



The world's largest home-share portal have yet to fully find their feet in China's blossoming accommodation booking market. That said, they have gained traction with overseas travellers, with China ranked as Airbnb's 7th largest source market for global guests, and is predicted be the top market by 2020. Airbnb claim over 10 million Chinese arrivals at Airbnb listings worldwide since 2008, with over half of those made in the past year.

Having focused on attracting Chinese bookers, Airbnb have stepped up their listings across China since entering the market in December 2016. In March 2017, they unveiled a new Chinese name, Aibiyong (meaning 'welcome each other with love'), and pledged to integrate Chinese mobile payments and social media networks to help expand domestic rental listings to 100,000 by the end of 2017.

In March 2018, the Airbnb Plus service, featuring luxury homes and apartments, was launched in Shanghai – making it the first of 13 global cities in the roll out. Airbnb also claimed to have secured 3.3 million arrivals in China by local travellers during the preceding 12 months to March 2018.

In July 2018, with the company admitting they are "still in the very early days of Airbnb China" Tao Peng, an entrepreneur who built up the Breadtrip, CityHunter and CityHome portals in China, was announced as the company's new President in China. This was quickly followed by a public relations howler. In August 2018, Airbnb launched a competition to stay in a custom-built bedroom on the Great Wall of China, which sparked an angry response about cultural appropriation on social media, forcing Airbnb to abandon the promotion.

### 2.10.2. Tujia

**Estimated users:** 100 million

**Estimated Market Cap:** USD1.5 billion



Founded in 2011 by entrepreneur Melissa Yang, Tujia is now China's largest holiday home-rental app. It began by renting out vacation and unsold properties in China. Having diversified into other areas of alternative accommodation and homestay bookings, Tujia began to venture outside of China, starting with Japan, where they set up a small operation in 2016. This was followed by Korea, Taiwan and Southeast Asia. They hope their domestic scale will translate to more Chinese home renters using the service overseas in popular outbound destinations across Asia.

In July 2017, Tujia raised RMB300 million from a consortium led by Ctrip, almost merged with Airbnb, partnered with Japan's Rakuten Lifull Stay vacation rental platform, and signed a strategic agreement with SiteMinder, a global cloud platform for the hotel industry as part of their overseas expansion efforts.

In 2018, Tujia acquired Fishtrip, a B&B booking portal to extend further into overseas markets and added around 300,000 economy stay listings to their portfolio. This was Tujia's first overseas acquisition, and followed the purchase of Mayi and the homestay business of Ctrip and Qunar. Having boosted their accommodation inventory at home and abroad, Tujia have said they want to focus on added-value services for accommodation bookers in their chosen destinations, have established an agency management, design and maintenance service for listed homeowners, and are rumoured to be contemplating an IPO in the next two years.

By mid-2018, Tujia counted 1 million listings in 400 Chinese cities, with the top-five most-booked cities in 2018 being Chengdu, Beijing, Shanghai, Chongqing and Xiamen. Beyond this there are 1,000 listings in Asian locations, with strong growth noted in Cambodia, Indonesia, Thailand and South Korea.

**Total transactions in China's home-rental sector are forecast to reach RMB50 billion by 2020**  
(China's State Information Centre).

### 2.10.3. Xiaozhu

**Estimated users:** 35 million

**Estimated market cap:** USD1 billion



Founded in 2012 in Beijing, Xiaozhu – which is often compared as 'China's Airbnb' – focuses on short-term house and apartment rentals in China, and counts over 400,000 listings covering 400 Chinese cities and 250 overseas destinations, and around 28 to 35 million active users. According to Xiaozhu it also counts over 30,000 village B&Bs in China.

In 2016, Xiaozhu – which was struggling to gain market share from Tujia, and compete with its larger rival for funding – was reported to be in advanced discussions to sell its business for around USD300 million to Airbnb. late 2017, Xiaozhu raised USD120 million in a funding round led by Jack Ma's Yunfeng Capital, and introduced overseas listings in Asian cities popular with Chinese travellers, including in Japan and Thailand.

In 2018 it agreed strategic collaborations with Alibaba-backed Fliggy and with Booking Holdings' Agoda platform, which includes inventory sharing partnering in listings, technology and service innovation, branding and marketing.

## 2.11. Trip Planning Platforms

### 2.11.1. Mafengwo

**Estimated User base:** 120 million  
**Estimated Net Revenues:** USD1.5 billion (2017)  
**Estimated Market Cap:** USD2 billion



Trip planning platforms are seamlessly assimilated into China's online travel tapestry. Founded in 2006 in Beijing, Mafengwo is a web and app-based travel services and social networking platform with a strong focus on user-generated content to inspire the travel dreams of independent, metropolitan 20- and 30-something travellers from upper tier cities.

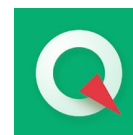
Mafengwo, whose 'Beehive'/'Wasp's Nest' nicknames are a linguistic play on ma, meaning ant, feng meaning bee or wasp, and wo as nest, is a travel community with the sharing of information at the core. They offer an online repository of user reviews of hotels, airlines, destinations, and more than one million downloadable travel guides. Hotel, tour and ticket bookings are offered through affiliate deals with OTAs, and Mafengwo also have an e-commerce retail functionality.

In 2015, a USD100 million funding round boosted Mafengwo's expansion plans, and in 2017, a Series D funding round added USD133 million, from investors including Singapore's Temasek Holdings. In August 2018, The company was reportedly close to agreeing a further USD300 million in funding, and is planning a Nasdaq IPO in the next two to three years. They came under fire in October 2018, however, after being accused on a news website of 'data scraping' a large swathe of reviews from competitor sites. Mafengwo have filed a defamation suit.

Like all online travel services, user volume and information analytics are prized commodities. Mafengwo's data processing centre analyses a vast mine of images, reviews and referrals uploaded by users to create more customised services. In August 2018, Mafengwo announced a strategic partnership with Tourism Australia, targeting "high-value travellers." Tourism Australia will establish an Australia travel page on Mafengwo's mobile app and provide users with product updates and customized services.

### 2.11.2. Qyer

**Estimated User base:** 80 million users



Travel planning website Qyer.com was founded in 2004 by a Chinese student studying in Europe who chanced upon a hotel discount promotion in Switzerland and was encouraged to share information with Chinese travellers. In 2008, the fledgling company established a Beijing base and began to expand its offerings.

Qyer have developed as a socially-inspired travel forum that targets outbound travellers. The platform offers city travel guides, tips and reviews on destinations worldwide, and also sells flights, travel packages bookings and visa services. In 2013, Alibaba made an undisclosed investment into Qyer, and in 2016, Qyer completed a fourth funding round around USD57 million from a small group of investors including Beijing UTour.

Qyer, which claimed around 80 million users in 2017, most of which were app-based, also launched Q Homes, a series of offline travel service centers in key destinations in China, and later Thailand, Japan and New Zealand

## 2.12. WeChat

**Estimated users:** Over one billion accounts  
800 million monthly active users



Founded in 2011 by Tencent as a social messaging service, WeChat (also known in China as Weixin) have aggressively expanded to become an integrated commercial machine spanning social media, lifestyle, gaming, shopping, TV and video and digital payments. More latterly, WeChat's Mini Programs, launched in January 2017, is developing as a hybrid interactive engagement and social commerce tool for global travel providers to connect directly with Chinese consumers.

WeChat are broadening their travel distribution offerings; for example, Chinese rail tickets can be booked for home delivery, hotels are offering exclusive promotions, and airlines ranging from China Eastern to KLM enable passengers to connect direct to their Chinese booking engines to buy tickets, check-in and track baggage through their WeChat pages.

***China counted 772 million internet users at the end of 2017, with a national internet penetration rate of 55.8%. Mobile users accounted for 97.5% of that total (CNNIC)***

WeChat is a seamless mobile services eco-system without compare in the western world, and focuses on "the 3Cs: Communication, Connection and Commerce" for a clearly-defined "core user base born in the 1980s and 1990s". For this reason, WeChat claimed its one billionth account registration in March 2018, although a notable proportion of users are likely to own more than one account.

The WeChat Pay mobile payment service is now connected to an estimated 800 million users' bank accounts. In July 2018, WeChat Pay said it would concentrate on enhancing services and functionality for Chinese outbound tourists rather than seek to engage overseas users in the immediate future.

Owned by Tencent, WeChat's dominance of Chinese digital life enables the company to research, analyse and utilise vast tracts of consumer data, which they monetize through marketing partnerships. Moreover, WeChat's direct appeal to affluent, travel-savvy Chinese consumers could see it mount a significant challenge to OTAs in the travel booking space.

### 3. THE BATTLE FOR DATA

In the era of data-driven economics, China's smartphone-wielding travel bookers – who are renowned for leaving big digital footprints before, during and after a trip – are a prized commodity. Ctrip, for example, says it generates 50TB of data every day. Access to their real-time transactional, behavioural and locational data is hugely important because they underpin lucrative tie-ups with tourism boards, airlines and hotels. This ability to leverage data exchange deals enables China's travel superapps to offer exclusive promotions and tailored experiences to users – and generate sizeable revenues.

The gold-plated value of Chinese consumer data has also enabled online travel start-ups that incorporate elements of lifestyle, retail and entertainment with advanced analytics to secure sizeable funding. At the same time, entrenched online players, such as Ctrip, have invested in complementary businesses and acquired stakes in their competitors. The IPOs of Meituan-Dianping and eLong-Tongcheng are likely to presage a new round of asset acquisitions, R&D investments and data leveraging to establish each brand on the global stage.

These factors suggest that Ctrip's clearing of the competitive path in 2015 by acquiring stakes in eLong and Qunar and ending a damaging online price war, while strategically adept, may come to represent little more than a brief, but profitable, lull in the combat for China's online travel distribution market.

During its first two decades, online travel booking in China has been heavily weighted towards a handful of players securing and retaining market share. A more composite picture is now starting to be drawn. As OTAs and travel planning platforms gear up their AI, metasearch and augmented reality infrastructures, they will seek to gain advantage by collaborating with a broader spread of global travel partners seeking to interact with Chinese consumers.

In this context, Ctrip has set down a marker by its willingness to invest in potentially lucrative or loyalty building verticals, such as ride-hailing, hotel management, home-sharing and even supersonic air travel. Booking Holdings has done likewise with its bold investment into Didi Chuxing and partnership with Spring Airlines. Expedia, which is not directly active in China, has invested in Southeast Asia-based OTA Traveloka and bought out its online travel booking joint venture with Malaysia-based low-cost carrier Air Asia, which could prove wise long-term plays, and set the tone for the company's return to competitive action in China.

Meanwhile, the anticipated expansions by Meituan Travel and Tongcheng-eLong, Alibaba's determination for Fliggy to distinguish itself as a travel and lifestyle branding and marketing ecosystem, as well as an online marketplace, and the surging appeal among younger demographics of well-resourced, social commerce travel apps mean that online distribution in China is likely to become more R&D-driven, more service oriented and more partnership focused.

As the sector prepares to enter its third decade, the proven industry-wide access to funding and perceived long-term growth fundamentals suggest that online travel booking in China may also be set for a new shape-shifting round of acquisitive actions.

# REFERENCES

- Bloomberg, 2018a. Tencent-Backed Travel Site Raises \$180 Million in Hong Kong IPO. Available at: <https://www.bloomberg.com/news/articles/2018-11-21/tencent-backed-travel-site-raises-180-million-in-hong-kong-ipo>. Accessed 26 November, 2018.
- Bloomberg, 2018b. Hong Kong's Hottest IPOs Bring Worst Returns to Investors. Available at: <https://www.bloomberg.com/news/articles/2018-11-25/hong-kong-s-hottest-ipo-bring-the-worst-returns-to-investors>. Accessed 26 November, 2018.
- Caixin Global, 2018. Caixin Mafengwo Eyes Nasdaq IPO Despite Fake-Review Scandal. Available at: <https://www.caixinglobal.com/2018-10-24/mafengwo-eyes-nasdaq-ipo-despite-fake-review-scandal-101338210.html>. Accessed 26 November, 2018.
- China Daily USA, 2018. Ctrip to use China's railway network for tourism business growth. Available at: <http://usa.chinadaily.com.cn/a/201809/18/WS5ba19da0a31033b4f4656d72.html>. Accessed 26 November, 2018.
- China Daily, 2017. Mafengwo dominates online travel picture. Available at: [http://www.chinadaily.com.cn/business/2017-06/29/content\\_29926924.htm](http://www.chinadaily.com.cn/business/2017-06/29/content_29926924.htm). Accessed 26 November, 2018.
- China Internet Network Information Centre (CNNIC), 2018. CNNIC Statistical Report on Internet Development in China January 2018. Available at: <https://cnnic.com.cn/IDR/ReportDownloads/201807/P020180711391069195909.pdf>. Accessed 26 November, 2018.
- China Internet Watch, 2018. China Internet Watch China Internet Statistics White Paper. Available at: <https://www.chinainternetwatch.com/whitepaper/china-internet-statistics/>. Accessed 26 November, 2018.
- China Outbound Tourism Research Institute (COTRI), 2018. Chinese Outbound Tourists H1 2018. Available at: <https://china-outbound.com/editorial-latest-chinese-data-h1-2018/>. Accessed 26 November, 2018.
- China Travel News, 2018a. Alibaba's ecosystem + Fliggy - how the combo is set to simplify travel buying? Available at: <https://www.chinatravelnews.com/article/122629>. Accessed 26 November, 2018.
- China Travel News, 2018b. Tencent- and Ctrip-invested online travel firm to raise \$1 billion in HK IPO. Available at: <https://www.chinatravelnews.com/article/125049>. Accessed 26 November, 2018.
- China Travel News, 2018c. Meituan sells 209.6 million hotel room nights in 9 months Available at: <https://www.chinatravelnews.com/article/125762>. Accessed 26 November, 2018.
- China Travel News, 2018d. Ctrip ventures into hotel management by launching Rezen Hotels Group. Available at: <https://www.chinatravelnews.com/article/124746>. Accessed 26 November, 2018.
- Civil Aviation Administration of China, 2018. Statistics of Key Performance Indicators for China's Civil Aviation Industry, May 2018. Available at: <http://www.caac.gov.cn/en/HYYJ/SJ/201807/W020180726583894965368.pdf>. Accessed 26 November, 2018.
- CNBC, 2018. Shares of Tencent-backed Meituan Dianping plunge on poor earnings. Available at: <https://www.cnbc.com/2018/11/23/meituan-dianping-post-earnings-review.html>. Accessed 26 November, 2018.
- CNN Money, 2018. Investors pour \$4 billion into China's latest internet IPO. Available at: <https://money.cnn.com/2018/09/13/technology/meituan-dianping-ipo/index.html>. Accessed 26 November, 2018.
- Ctrip, 2018a. Ctrip Strengthens Relationship with Booking Holdings and Expands Strategic Cooperation with Booking.com. Available at: <http://ir.ctrip.com/phoenix.zhtml?c=148903&p=irol-newsArticle&ID=2354093>. Accessed 26 November, 2018.
- Ctrip, 2018b. Ctrip Launches First Travel Concept Store in Dubai International Airport. Available at: <https://globenewswire.com/news-release/2018/07/24/1541121/0/en/Ctrip-Launches-First-Travel-Concept-Store-in-Dubai-International-Airport.html>. Accessed 26 November, 2018.
- EyeforTravel, 2017. China Travel Consumer Report 2018-2018 Scribes of the Orient and Alex Hadwick. Available at: <https://www.eyefortravel.com/distribution-strategies/chinese-travel-consumer-report-2017-2018>. Accessed 26 November, 2018.



EyeforTravel, 2018. Future of the Online Giants: Ctrip September 2018 Amy Scarth and Gary Bowerman. Available at: <https://www.eyefortravel.com/future-online-travel-giants-ctrip>. Accessed 26 November, 2018.

Hong Kong Exchange, 2018. TONGCHENG-ELONG HOLDINGS LTD. (780). Available at: [https://www.hkex.com.hk/Market-Data/Securities-Prices/Equities/Equities-Quote?sym=780&sc\\_lang=en](https://www.hkex.com.hk/Market-Data/Securities-Prices/Equities/Equities-Quote?sym=780&sc_lang=en). Accessed 26 November, 2018.

iClick, 2018. iClick collaborates with Ctrip to connect retailers with China's overseas travellers. Available at: <https://www.businesswire.com/news/home/20180926005309/en/iClick-collaborates-Ctrip-connect-retailers-China-s-overseas>. Accessed 26 November, 2018.

ITB Asia News, 2018. Chinese travellers increasingly looking for premium products and services. Available at: <https://itb-asia-news.com/2018/10/17/chinese-travellers-increasingly-looking-for-premium-products-and-services/>. Accessed 26 November, 2018.

Jing Daily, 2018. The Hyper Growth of WeChat's Mini-Programs in 2018. Available at: <https://jingdaily.com/wechats-mini-programs-2018/>. Accessed 26 November, 2018.

Klook, 2018. Klook Gears Up for Next Round of Global Expansion and Innovation with US\$200 Million Series D Funding. Available at: <https://www.prnewswire.com/news-releases/klook-gears-up-for-next-round-of-global-expansion-and-innovation-with-us200-million-series-d-funding-300692990.html>. Accessed 26 November, 2018.

Nasdaq, 2018. Ctrip Attends Global Tourism Economy Forum, World Travel & Tourism Council in Macau. Available at: <https://www.nasdaq.com/press-release/ctrip-attends-global-tourism-economy-forum--world-travel--tourism-council-in-macau-20181026-00318>. Accessed 26 November, 2018.

PhoCusWire, 2018. China's Big 5 hotel platforms have 96% of the market. Available at: <https://www.phocuswire.com/Chinas-Big-5-hotel-platforms-have-96-of-the-market>. Accessed 26 November, 2018.

Presentations by Ctrip, Meituan Travel and Fliggy at ITB Asia 2018 in Singapore

South China Morning Post, 2017. China's Tujia to take on Airbnb in global market with new partnership in Japan. Available at: <https://www.scmp.com/tech/start-ups/article/2107842/chinas-tujia-take-airbnb-global-market-new-partnership-japan>. Accessed 26 November, 2018.

Tech Crunch, 2011. Baidu Makes USD306 Million Strategic Investment in Chinese Travel Search Engine Wuniar. Available at: <https://techcrunch.com/2011/06/24/baidu-makes-306-million-strategic-investment-in-chinese-travel-search-engine-qunar/>. Accessed 26 November, 2018.

The Business Times, 2018. Temasek-backed Chinese travel site aims to raise up to US\$300m: sources. Available at: <https://www.businesstimes.com.sg/startups/temasek-backed-chinese-travel-site-aims-to-raise-up-to-us300m-sources>. Accessed 26 November, 2018.

The New Chinese Traveler: Business Opportunities From The Chinese Travel Revolution. Gary Bowerman, Palgrave Macmillan, 2014. Available at: <https://www.palgrave.com/la/book/978113739728>. Accessed 26 November, 2018.

The official websites of cTrip, eLong, Airbnb, Booking Holding, Lvmama, Tuniu, Klook, Fliggy, Alizila, Qunar, Mafengwo, Meituan-Dianping, Xiaozhu, Tujia, WeChat, AliPay