

THE/1912/5
Box THE/00006

VICTORIA UNIVERSITY OF TECHNOLOGY



3 0001 00091 3832

**OUTBOUND TOURIST
DEMAND FROM NORTHEAST ASIA
AND
IMPLICATIONS FOR THE AUSTRALIAN TOURIST INDUSTRY**

(1992, June)

YAN YAN SUN



MASTER OF BUSINESS
(In Tourism Development)
Faculty of Business
Victoria University of Technology

FTS ARCHIVE
30001000913832
Sun, Yan Yan
Outbound tourist demand
from Northeast Asia and
implications for the
Australian tourist industry

ACKNOWLEDGMENTS

I would like to take this opportunity to express my appreciation and gratitude to the people who have supported and facilitated the writing of this thesis in the past 16 months.

Firstly, I would like to thank my supervisor and co-supervisor, Mr Ken Wilson, and Dr Lindsay Turner of the Economics Department, Victoria University of Technology, for their consistent encouragement, guidance and assistance.

I also would like to thank Mrs Elizabeth Grove of the Educational Development Department (VUT) for her assistance in editing, Mr Brian Hubber of the FIT Library for his assistance in collecting secondary data and Mr Michael Edwardson of the Hospitality and Hotel Management department (VUT) for his advice on the statistical computer packages.

Finally, I would like to extend my very special thanks to my family - my husband, Russell and my son, Ninan - for their understanding, care, and love. Without their daily support, I would never have had the courage to carry out this study.

TABLE OF CONTENTS

ACKNOWLEDGMENTS	i
TABLE OF CONTENTS	ii
LIST OF TABLES	vi
LIST OF FIGURES	vii

CHAPTER 1 - INTRODUCTION

1.1 Research Rationale	1
1.2 Overview of Outbound Tourism from N.E Asia	6
1.2.1 The Extent of Outbound Tourism	6
1.2.2 Pattern of Outbound Tourist Flow	11
1.2.3 Visitation from Northeast Asia to Australia	16
1.2.4 Reasons for Choosing Aust. as Destination	20
1.3 Purpose of this Study	25
1.4 Research Objectives	25
1.5 Structure of this Thesis	26

CHAPTER 2 - LITERATURE REVIEW

2.1 Tourist Demand and Demand Constraints	28
2.2 Travel Motivations and Personal Preferences	34
2.3 Destination Attributes and Actual Travel Flows ..	38
2.4 Perceptions and External Influences	42
2.5 Conceptual Framework	45

CHAPTER 3 - METHODOLOGY

3.1 Identification of the Need for a Survey	48
3.2 Development the Hypothetical Assumptions	50
3.3 Survey Design and Questionnaire	52
3.4 Survey Subjects and Responses	54
3.5 Analysis Technique and Procedure	56
3.6 Limitations	58

CHAPTER 4 - DESCRIPTIVE DATA ANALYSIS AND FINDINGS

4.1 Major Constraint Factors	61
4.1.1 Central Tendency Analysis	62
4.1.2 Summary of Findings	67
4.2 Travel Motivations	68
4.2.1 Central Tendency Analysis	69
4.2.2 Summary of Findings	75
4.3 Preferences for Attractions	76
4.3.1 Central Tendency Analysis	77
4.3.2 Summary of Findings	82
4.4 Preferences for Travel-Related Services	83
4.4.1 Central Tendency Analysis	84
4.4.2 Summary of Findings	90
4.5 Destination-Choice Determinants & Influences (1)	91
4.5.1 Central Tendency Analysis	92
4.5.2 Summary of Findings	97
4.6 Destination-Choice Determinants & Influences (2)	99
4.6.1 Central Tendency Analysis	100

4.6.2 Summary of Findings	105
4.7 Barriers to Selection of Australia as travel destination	106
4.7.1 Central Tendency Analysis	107
4.7.2 Summary of Findings	113

CHAPTER 5 - HYPOTHESIS TESTING

5.1 Introduction	115
5.2 Interpretation of Testing Results	118
5.3 Hypothesis Testing	120
5.3.1 Hypothesis 1	120
5.3.2 Hypothesis 2	122
5.3.3 Hypothesis 3	126
5.3.4 Hypothesis 4	129
5.3.5 Hypothesis 5	132

CHAPTER 6 - DISCUSSION

6.1 Basic Element	137
6.2 Personal Element	139
6.3 Functional Element	143
6.4 Affective Element	145
6.5 Consequences for Australia as Travel Destination	147

**CHAPTER 7 - IMPLICATIONS FOR THE AUSTRALIAN
TOURIST INDUSTRY**

7.1 Summary 151

7.2 Implications for Australian Tourist Industry ... 153

REFERENCE 157

APPENDIX A - Questionnaire A-1

APPENDIX B - List of Major Tour Companies B-1

APPENDIX C - Definitions C-1

APPENDIX D - Frequency Distribution D-1

APPENDIX E - Table of Data Central Tendency ... E-1

LIST OF TABLES

Table 1.1	-	Outbound Travel & Population Ratio	10
Table 1.2	-	Destination Country Ranking by Origins	16
Table 1.3	-	Visitor Arrival by Purpose of Visit (1989)	21
Table 1.4	-	Enjoyment of Stay (1989)	22
Table 1.5	-	Information Sources (1989)	23
Table 1.6	-	Type of Booking Agent (1989)	24
Table 1.7	-	Type of Tour (1989)	24
Table 3.1	-	Responses by Countries/Regions	55
Table 3.2	-	Profile of Respondents	56

LIST OF FIGURES

Figure 1.1	- Outbound Departure from N.E. Asia 1981-1990	7
Figure 1.2	- Origins of Outbound Departure	8
Figure 1.3	- % Increase in Outbound Departure by Countries/Regions	9
Figure 1.4	- Distribution of Outbound Departure by Destination Regions	12
Figure 1.5	- Long Haul & Short-Medium Haul Ratio by Countries (1988)	13
Figure 1.6	- N.E. Asia Long Haul Departure by Destination Regions	14
Figure 1.7	- Australia & New Zealand Share of Total Departure by Origin Countries	15
Figure 1.8	- Visitor Arrivals from N.E. Asia (1980-1990)	17
Figure 1.9	- Trend of Increase by Origin Countries	18
Figure 1.10	- N.E. Asia Share of Australia Total International Visitor Arrivals	19
Figure 2.1	- Elements of the Actual Outbound Demand	47
Figure 4.1	- Average Rating of Constraint Factors	62
Figure 4.2	- Constraint Rating by Countries	63

Figure 4.3	-	Average Rating & Standard Deviation Q1	65
Figure 4.4	-	Average Rating of Travel Motivation ..	69
Figure 4.5	-	Motivation Rating by Countries	71
Figure 4.6	-	Average Rating & Standard Deviation Q2	72
Figure 4.7	-	Average Rating of Attraction Preference	77
Figure 4.8	-	Attraction Preference by Countries ...	79
Figure 4.9	-	Average Rating & Standard Deviation Q3	80
Figure 4.10	-	Average Rating of Service Preference	84
Figure 4.11	-	Service Preference Rating by Countries	86
Figure 4.12	-	Average Rating & Standard Deviation Q4	88
Figure 4.13	-	Average Rating of Choice Determinants & Influences (1)	92
Figure 4.14	-	Choice Determinants & Influences (1) Rating by Countries	94
Figure 4.15	-	Average Rating & Standard Deviation Q5	95
Figure 4.16	-	Average Rating of Choice Determinants & Influences (2)	100
Figure 4.17	-	Choice Determinants & Influences (2) Rating by countries	101
Figure 4.18	-	Average Rating & Standard Deviation Q6	102

Figure 4.19 - Average Rating of Barriers for Australia as Travel Destination	107
Figure 4.20 - Barriers Rating by Countries	109
Figure 4.21 - Average Rating & Standard Deviation Q7	110

CHAPTER 1 -

INTRODUCTION

1.1 Research Rationale

Unlike ASEAN¹, the term Northeast Asia is a geographical classification rather than a term signifying a united political and social entity. Since the early 1970s, there has been a rapid economic integration in the Northeast Asian region. This phenomenon has raised the interest of many economists worldwide. Numerous studies focusing on the region have been published. The term Northeast Asia has been more and more used in economic and political contexts². Although geographically speaking, Northeast Asia includes the Pacific Coast of the former Soviet Union, the term commonly refers to the area of China comprising mainland China, Hong Kong, Taiwan and Macao; Korea, including North Korea and South Korea; and Japan. However, in this paper, the term Northeast Asia is defined to include only Taiwan, Hong Kong, Japan, and South Korea.

As the concept of the Pacific-Asia Basin develops, Northeast Asia is of increasing importance to Australia. In 1989 the Federal Government

¹Association of South East Asian Nations.

²see for example, Garnaut, R. "Australia and The Northeast Asian Ascendancy".

commissioned a study: "Australia And The Northeast Asian Ascendancy" by Prof. R. Garnaut. In his report, Garnaut stressed that the sustained economic growth of Northeast Asia represents a great opportunity for Australia, and that to properly utilise this opportunity should be a high priority in forming both government and industry policies.

Over recent decades the Northeast Asian region achieved much faster economic growth than any other region in the world. At present, the region represents approximately one-fifth of world production and stands as the most important source of world savings. As a result of this economic success the outbound tourism industry has developed and has played an important role in the international trade balance of these countries/regions.

Historically, the tourism industry in Northeast Asia has mainly served overseas travellers and foreign business people, especially the Americans after the Second World War. In the past official regulations prohibited local residents to travel overseas for holidays. The 1970s and 1980s saw the issue of international travel for pleasure by local residents included in the agenda of Northeast Asian governments. In 1976, the Japanese Government lifted all restrictions prohibiting Japanese people from travelling overseas. Three years later, in 1979, the Taiwan Government announced the complete liberalisation of overseas pleasure travel. Under the pressure of the international trade surplus (especially the tourist trade

surplus), and the internal demand for more freedom, the "Hermit Kingdom" - South Korea finally granted its people the freedom to travel overseas in 1989.

Outbound ³ tourism from Northeast Asia has grown rapidly in the past decade, experiencing two-digit growth rates every year. Further, it is widely believed among tourism industry observers and commentators that in the next ten years Northeast Asia will be the major growth market in the international tourist scene.

The question arises of whether the increase in the outbound tourism demand from Northeast Asia represents any opportunity for the Australian tourist industry. In all likelihood, the answer is yes. The industry has already begun to benefit from the increase in Northeast Asian tourists. The Australian Bureau of Statistics recorded 503,800 tourist arrivals from the Northeast Asian region in 1990. This constitutes an average annual increase of 22% in the last decade (ABS, Catalogue No. 3401.0).

However, currently, Australia has only 'scratched the surface' in terms of the potential of this market. In Taiwan and South Korea, Australia's share

³The exact definition of some of the concepts used in this paper is included in Appendix C. The concepts which have been specifically defined are: tourism, tourism demand, tourist motivation, outbound tourism, long-haul travel, Northeast Asia, flight-carrying capacity, destination, travel needs, cultural and social motivators, and bilateral connectivity.

of the total outbound departure is less than one percent. For Australia to increase its share in the future, a better understanding of the following five aspects is essential: first, the travel motivations and the needs of people in Northeast Asia; second, the individual preferences of attractions and travel-related services; third, the factors which influence people's destination choice; fourth, the potential constraints to demand increases; and finally, the factors which discourage or encourage people in Northeast Asia to choose Australia as their destination.

Basically, tourism comprises three elements: tourists; tourist attractions and resources; and tour operators and travel agencies. The role of tour operators and travel agencies is of great significance in the process of tourism. They link the other elements by turning individual tourist attractions and resources into commercially viable products and marketing them to the final consumers. At the same time, agencies and tour operators provide booking, guiding and other travel-related services to bring consumers to tourist attractions and resources. It is evident that tour operators and travel agencies exert a considerable influence on the market demand by virtue of the destination features in their marketing activities, and thereby often create the demand for a particular tourism product.

Currently, the Australian Tourist Commission is the national marketing body of the Australian tourist industry. The Commission conducts general promotions of Australia as a tourist destination overseas.

However, promotions of tourist products are facilitated by the tour operators and travel agencies, (mainly overseas tour wholesalers). For many of the Australian tourist attractions and resources, the direct buyers are overseas tour operators and agencies rather than final consumers. Thus a complete understanding of and insight into the demand for Australian tourist products will only be found by investigating the buying habits and preferences of the direct buyers - the tour operators and travel agencies.

Furthermore, tour operators and travel agencies have first-hand experience in the travel market in their own country, (many of the companies regularly conduct their own customer surveys). They have considerable expertise regarding consumer needs and the kinds of products suitable for their market.

At present, there are very few studies focused on the outbound tourism demand in Northeast Asia and most existing studies are either customer-based or statistical reports. Quite clearly, much can be learned from a close examination of the perceived motivations and the destination-choice determinants of the Northeast Asian tour operators and travel agencies, in the interest of expanding the potential tourist flows from Northeast Asia to Australia.

1.2 Overview of Outbound Tourism from Northeast Asia

Before further discussion of the central issues of this study, it is necessary to review some facts and figures on outbound tourism from Northeast Asia in order to gain an overview of the size and characteristics of this market.

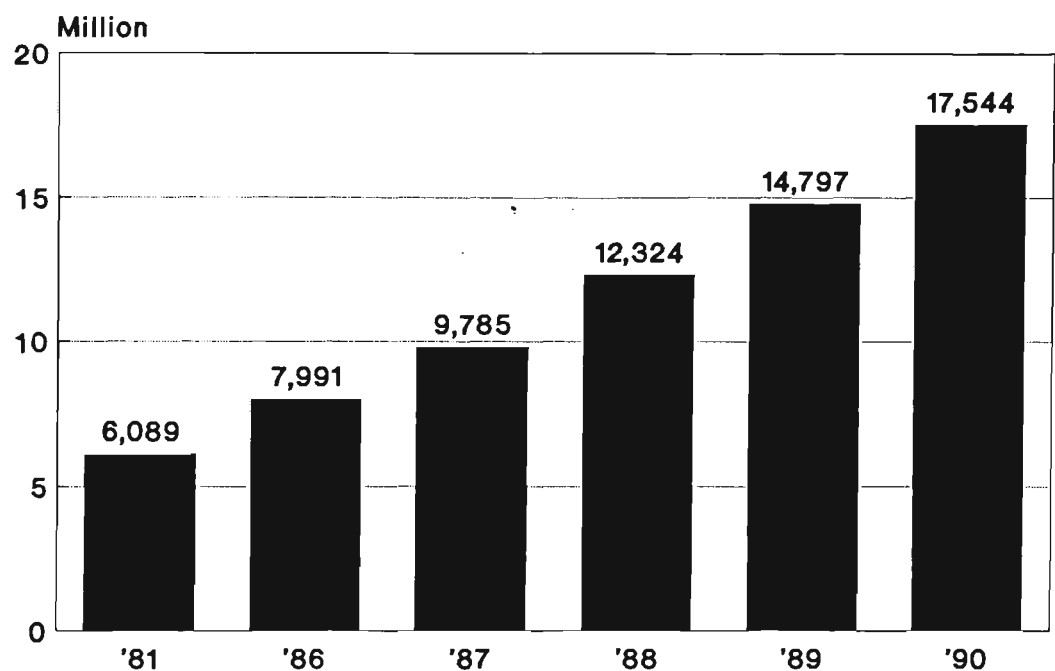
1.2.1 The Extent of Outbound Tourism

It was once described that in the Middle Ages, people were tourists because of their religion, whereas now they are tourists because tourism is their religion (R. Runcie 1988). It may not be the case that people in Northeast Asia travelled in the past for the purpose of religion, but their enthusiasm for overseas travel nowadays can be described as religious. To be a tourist is one of the characteristics of the modern experience, a mark of status in their societies.

The favourable attitude towards travelling overseas is, first and foremost, evident by the rapid increase in the number of overseas trips made from the region. In the nine-year period, 1981 to 1990, the total number of outbound traffic almost tripled, from 6.1 million (1981) to 17.5 million (1990). This growth represents an average annual increase of 12.5%, which is about three times as high as the 4.5% average annual increase rate of world international travel over the same period.

Figure 1.1

Outbound Departure From N.E.Asia 1981 - 1990



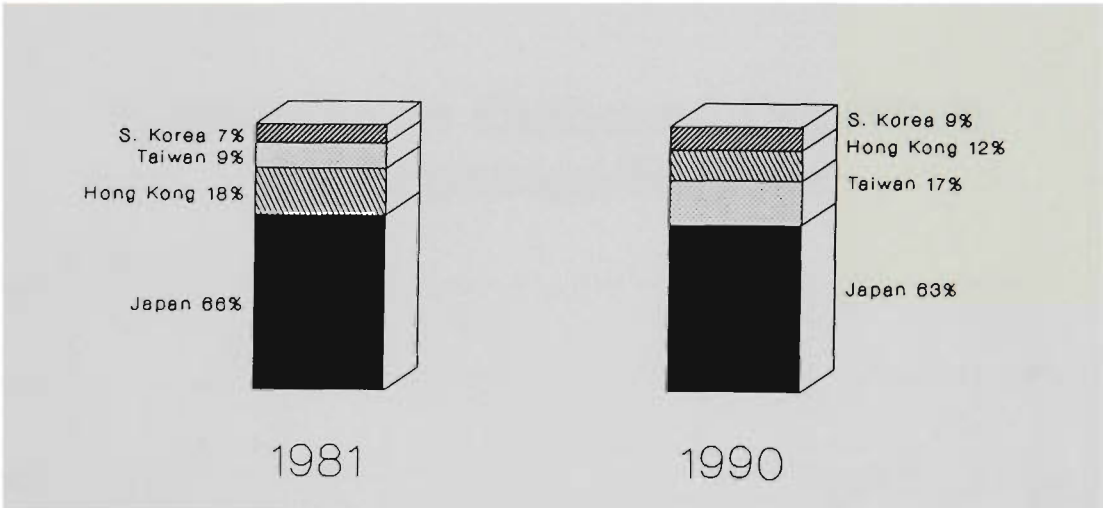
Source: PATA Annual Statistic Report

Japan has constituted over 60% of the total outbound traffic as a major contributor of outbound departures from the region. In the past decade though, the development of outbound tourism in other parts of Northeast Asia has been extraordinary and this has challenged Japanese domination, (the Japanese share dropped about three points). However, as the outbound traffic from other parts of Northeast Asia commences from a lower base (in number of departures), the impact on the overall distribution is insignificant.

During the 1981-1990 period, Hong Kong's share dropped about 6 percentage points, reducing Hong Kong to third position in terms of contribution to the overall traffic. In contrast, Taiwan gained 7 percentage points replacing Hong Kong as the second largest contributor to outbound departures. South Korea rose by 1.7 percentage points, but still remains in fourth position.

Figure 1.2

Northeast Asia Origins of Outbound Departure



Source: PATA Annual Statistic Report

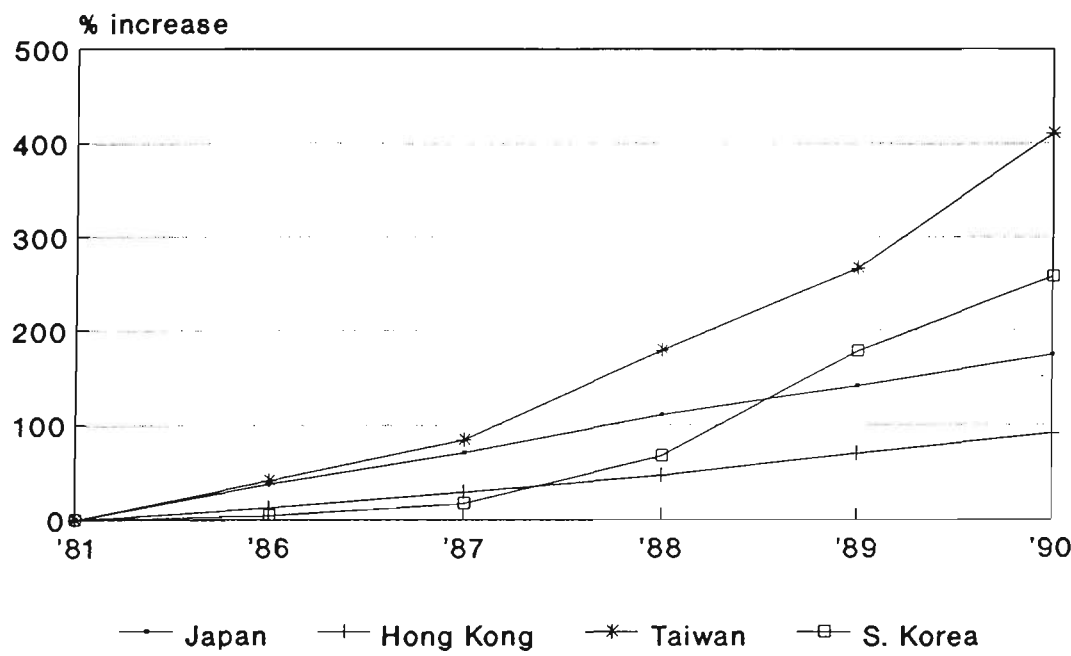
In the past ten years, Taiwan has been the leader in the percentage growth rate. Using the 1981 departures as the base figure, the overall growth in outbound traffic from Taiwan exceeded 400% by 1990.

More apparent increases from South Korea were not shown until 1988, this is closely related to the 'delayed' government deregulation of overseas holidays by the Korean nationals.

Japan and Hong Kong both achieved a linear increase trend. However, the increase rate has been lower than that for Taiwan and South Korea.

Figure 1.3

% Increase In Outbound Departure
By Countries/Regions



Source: PATA Annual Statistic Report

The population and outbound tourist ratio⁴ is another indication of market potential. In comparison to other developed countries, the Northeast Asian countries/regions have a higher population density. According to the Asia Yearbook 1990, the total population in the region reached 193 million; 124 million in Japan, 43 million in South Korea, 20 million in Taiwan and 6 million in Hong Kong.

People in Hong Kong are the most well-travelled of the four. In 1990, the number of overseas trips from Hong Kong accounted for more than one-third of its total population.

Table 1.1

**POPULATION &
OUTBOUND TOURIST RATIO**

	1981	1986	1988	1990
Japan	3.4%	4.5%	6.9%	8.9%
Hong Kong	21.0%	21.2%	27.5%	35.2%
Taiwan	3.2%	4.1%	8.1%	14.6%
South Korea	1.1%	1.1%	1.7%	3.6%

Source: Asia Yearbook & PATA Annual Statistic Report 1981-1991, compiled by Y.Y. Sun

As shown in Table 1.1, a one-way upward change in the population and tourist ratio happened in all the four countries/regions over the past

⁴percentage of total population undertaking overseas trips in a particular year

decade. Taiwan has achieved the highest increase rate, from 3.2% in 1981 (behind Japan's 3.4%) to 14.6% in 1990, (significantly higher than Japan's 8.9%). Koreans remained the least travelled in the region.

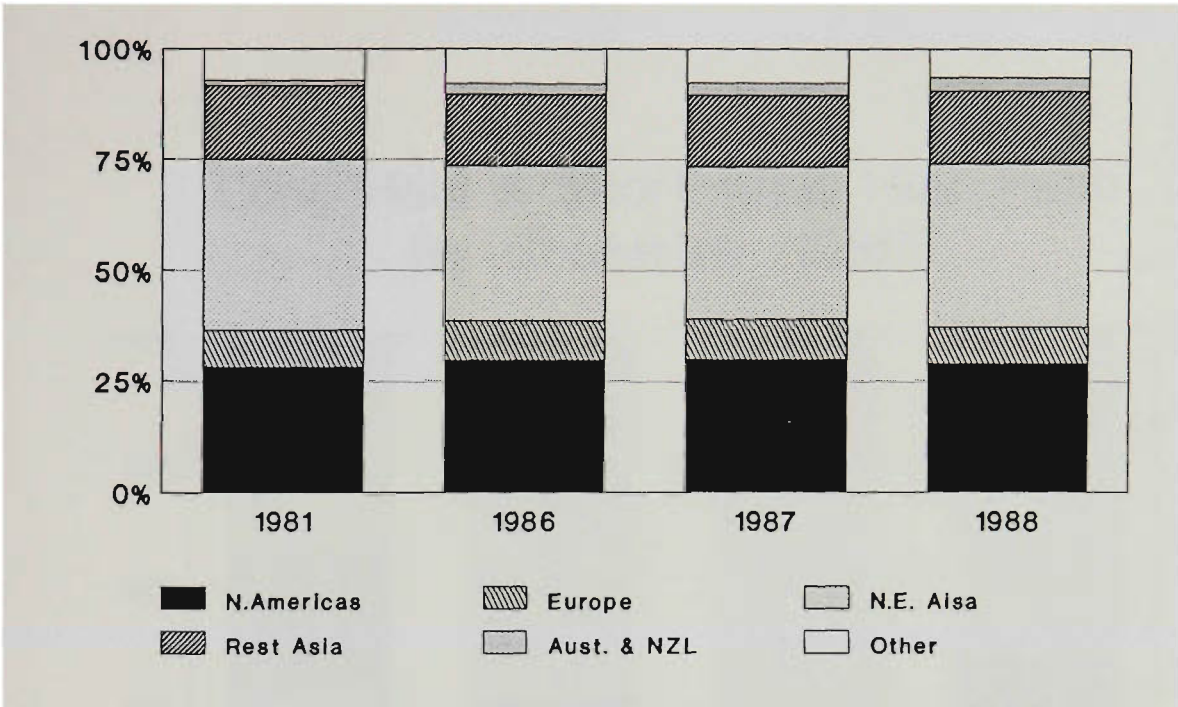
1.2.2 Pattern of Outbound Tourist Flow

There are six geographic regions generally recognised and commonly quoted in measuring the spatial distribution of the international tourist flow from Northeast Asia. They are: the Americas, Europe, Australia and New Zealand, Northeast Asia, the Rest of Asia, and Other. Northeast Asia and the Rest of Asia are defined as short-medium haul destinations and the Americas, Europe, Australia and New Zealand and Other are defined as long-haul destinations.

Examination of the outbound departure distribution over the 1981 to 1988 period reveals a distinctive and stable flow pattern.

Figure 1.4

Distribution Of Outbound Traffic By Destination Regions



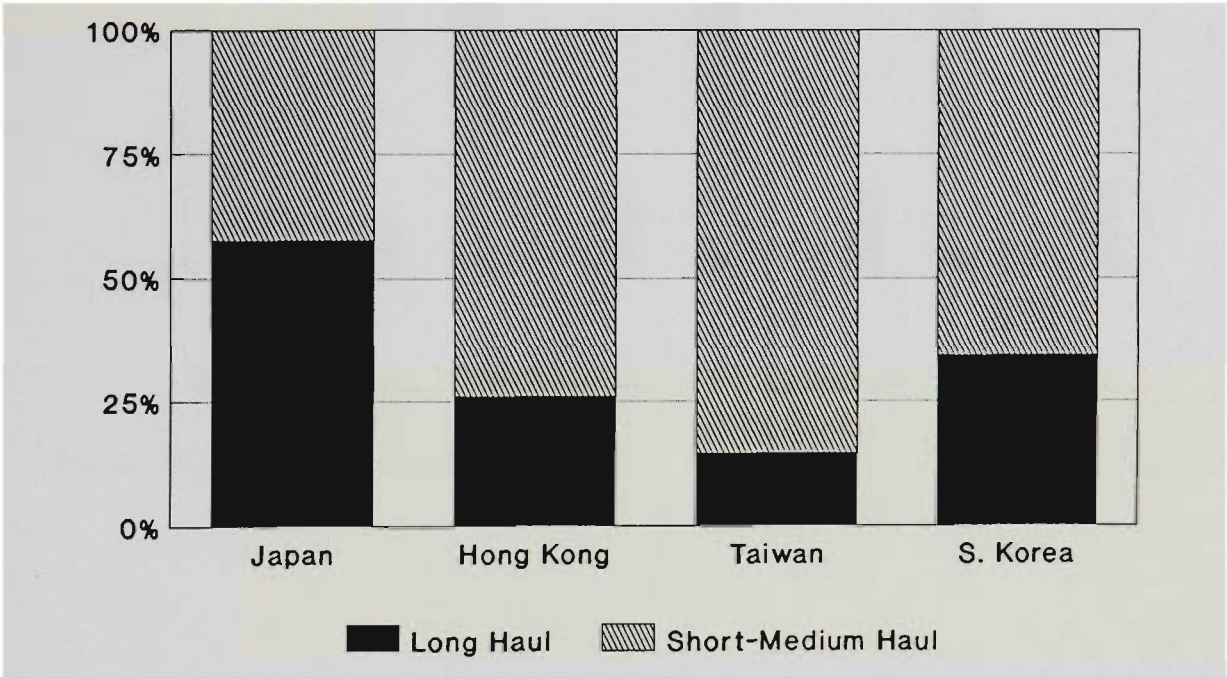
Source: PATA Annual Statistic Report

In 1989, per capita income in the four Northeast Asian countries/regions were as follows: US\$23,033, Japan, US\$10,916, Hong Kong, US\$6,889, Taiwan, and US\$4,968, South Korea. Accounting for country to country differences in prices, the amount of money in a household available for leisure and travel is still more in Japan than in any of the other three countries/regions. This is reflected in the fact that a higher proportion of the total overseas departures was made to the long-haul destinations. In contrast, the short-medium haul destinations, (Northeast Asia and the Rest

of Asia), have hosted the majority of outbound tourists from Hong Kong, Taiwan and South Korea.

Figure 1.5

Long Haul & Short-Med. Haul Ratio
By Countries (1988)

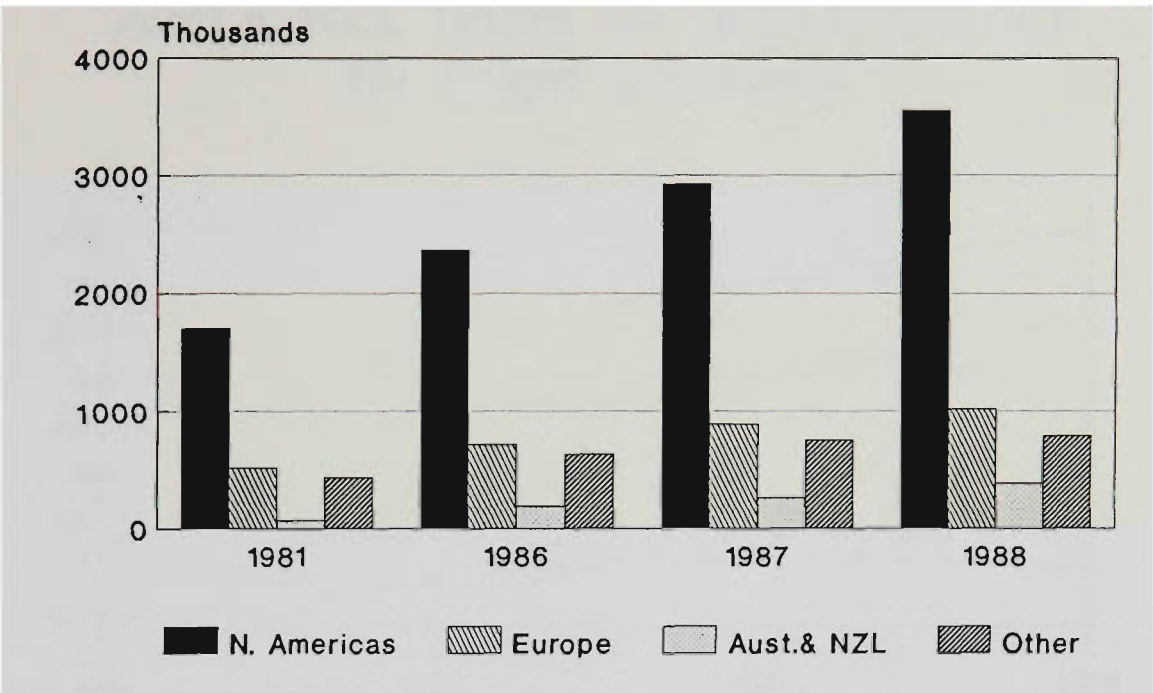


Source: PATA Annual Statistic Report

The most popular long-haul destination region is the Americas. Statistically, more than half of the long-haul departures from Northeast Asia were made to the Americas. Europe as the second popular long-haul destination has lagged far behind.

Figure 1.6

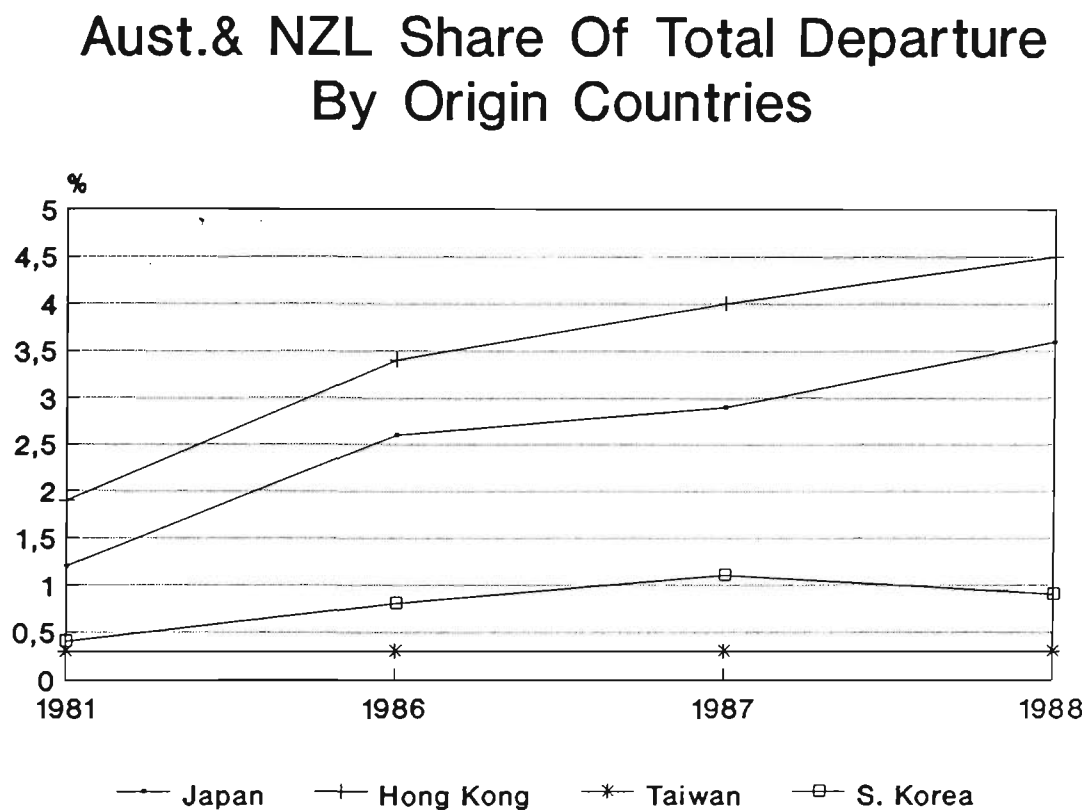
N.E Asia Long Haul Departure By Destination Regions



Source: PATA Annual Statistic report

The region of Australia and New Zealand has been the least-visited destination. Although over the '81-'88 period, Australia and New Zealand steadily increased in popularity among Japanese and Hong Kong travellers, the share of total outbound departures from Taiwan and South Korea remained very low, about 0.3% and 0.9% respectively.

Figure 1.7



Source: PATA Annual Statistic Report

Further, the popularity of the destination country is also ranked very differently among the Northeast Asian countries/regions. For instance, the U.S.A is the most popular destination, (in terms of the number of departures), for Japan, the second for South Korea, the third for Taiwan, and the fifth for Hong Kong.

Table 1.2

DESTINATION COUNTRY RANKING BY ORIGINS (1988)

	Japan	Hong Kong	Taiwan	S. Korea
U.S.A.	1	5	3	2
Canada	14	7	10	11
France	7	15	16	6
U.K.	9	7	14	10
Taiwan	2	2	-	3
Japan	-	4	2	1
Hong Kong	4	-	1	4
S. Korea	3	10	5	-
Singapore	5	6	6	7
Thailand	8	1	4	5
Australia	6	9	12	12

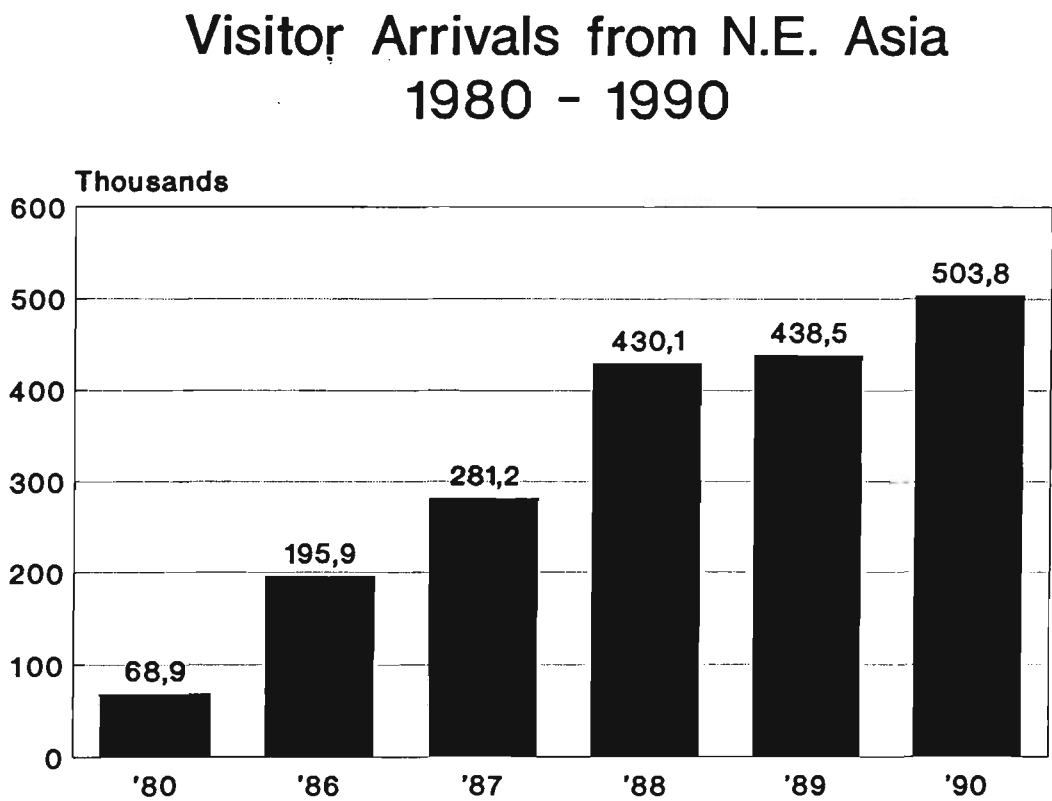
Data sourced from PATA Annual Statistic Report, and compiled by Y. Y. Sun

1.2.3 Visitation from Northeast Asia to Australia

Visitor arrivals from Northeast Asia to Australia have increased rapidly in the past 10 years. In 1980, the Australian Bureau of Statistics recorded only 68,900 arrivals from Northeast Asia. By 1990, the number of arrivals

jumped to more than half a million (503,800). This represents an average annual increase of 22% (The highest percentage change occurred in the 1987-1988 period).

Figure 1.8



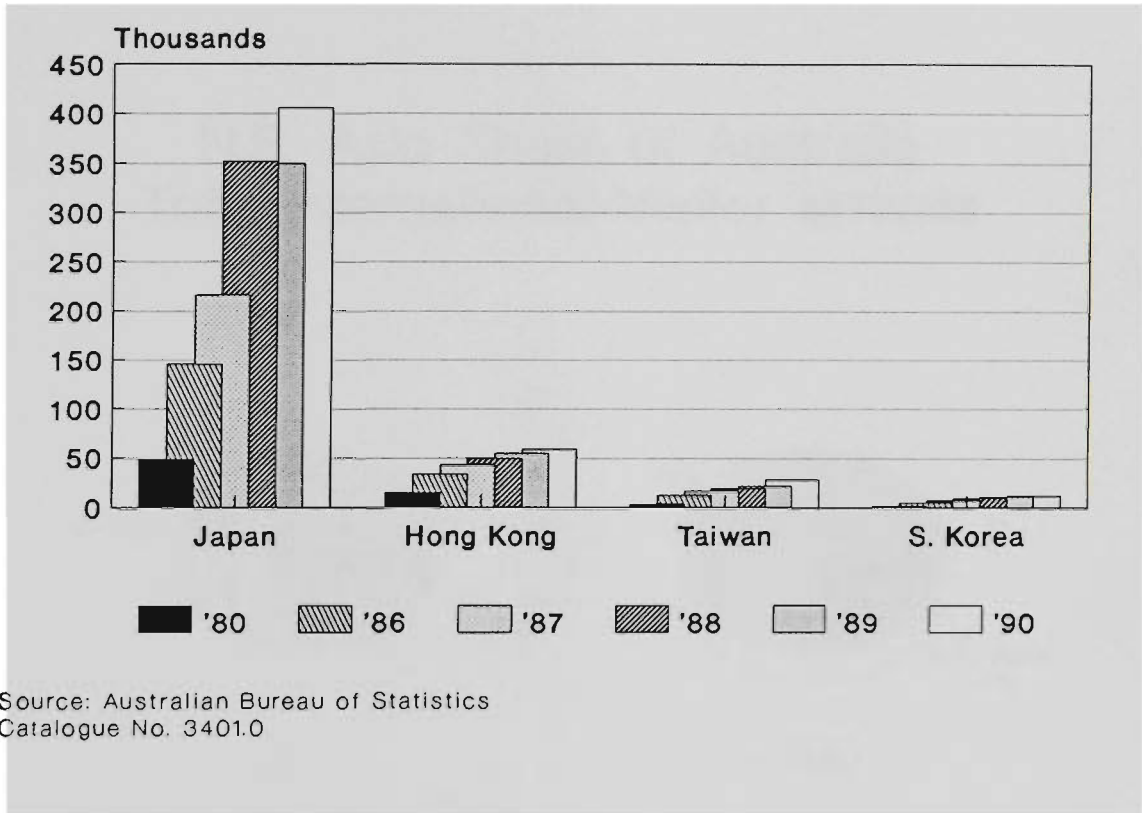
Source: Australian Bureau of Statistics
Catalogue No. 3401.0

Although Japan remains as the major contributor of arrivals, (followed by Hong Kong, Taiwan, and South Korea), a significant and consistent trend of increase has been shown in all four countries/regions. For Hong Kong, Taiwan and South Korea, a linear increase also occurred in 1989, when

the international tourism in Australia suffered from the pilots' dispute affecting the domestic airlines⁵.

Figure 1.9

Increase trend Of Visitor Arrivals
By Origin Countries



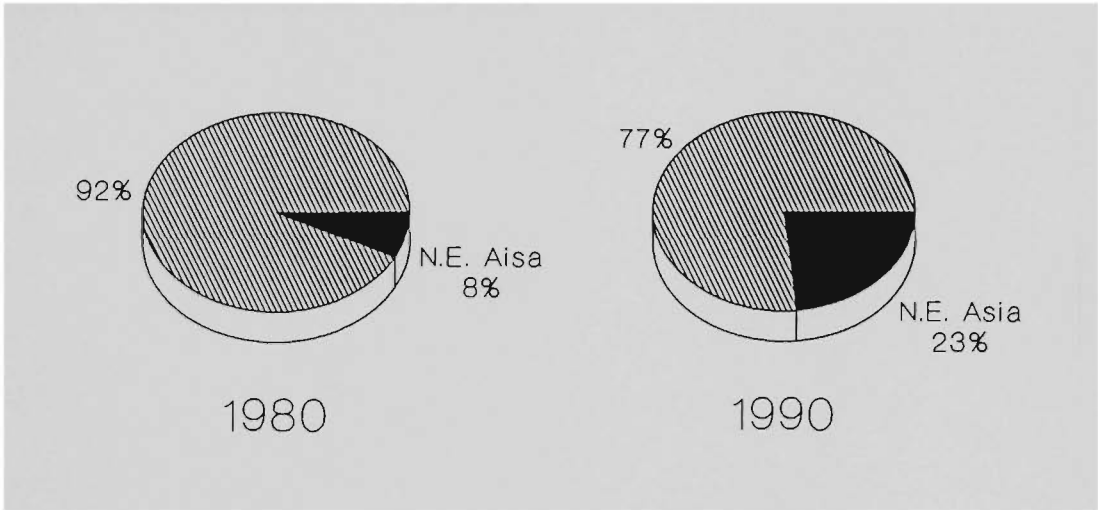
The importance of the Northeast-Asian outbound tourist market to the Australian tourist industry is even more pronounced when one looks at

⁵Visitor arrivals from Europe and America decreased in 1989, this decrease is caused by large cancellations due to the strike of pilots of the domestic airlines.

the increases in the percentage share of the Australian total international tourist market. In 1980, tourist arrivals from Northeast Asia constituted only 7.6% of the total international arrivals. By 1990, the Northeast Asian contribution increased to 23.5%, about a quarter of the total international tourist arrivals in that year.

Figure 1.10

N.E. Asia Share of Australia
Total International Visitor arrivals



Source: Australian bureau of Statistics
Catalogue No. 3401.0

1.2.4 Reasons for Choosing Australia as destination

At present, no study has been published identifying the motivations of visitors from Northeast Asia for choosing Australia as their travel destination, (rather than other destinations). The statistics on arrivals by purpose of visit collected by the Australian Bureau of Statistics are the best data available in this regard.

Holiday travel has been the largest market segment constituting 77% of the total arrivals from Northeast Asia (1989). The distribution of other market segments is as follows: 9.1% , business; 0.5%, conventions; 5%, visiting relatives; 0.4%, employment and 2.7%, education.

Table 1.3**VISITOR ARRIVALS BY PURPOSE OF VISIT (1989)**

	Japan	H.K.	Taiwan	S.Korea	Total
Total	349,500 100%	54,100 100%	21,500 100%	10,600 100%	435,700 100%
In,Transit	6,800 1.9%	1,100 2.0%	400 1.9%	400 3.8%	8,700 2.0%
Convention	1,000 0.3%	700 1.3%	200 0.9%	400 3.8%	2,300 0.5%
Business	27,200 7.8%	8,400 15.5%	1,800 8.4%	2,400 22.6%	39,800 9.1%
Accom.Busi.	1,500 0.4%	400 0.7%	200 0.9%	200 1.9%	2,300 0.5%
VFR*	7,100 2.0%	12,000 22.2%	1,300 6.0%	1,600 15.1%	22,000 5.0%
Holiday	290,700 83.3%	26,100 48.2%	15,700 73.0%	2,800 26.4%	335,300 77.0%
Employment	1,300 0.4%	300 0.6%	200 0.9%	100 0.9%	1,900 0.4%
Education	4,400 1.3%	4,000 7.4%	1,300 6.0%	1,900 17.9%	11,600 2.7%
Other	9,500 2.7%	1,100 2.0%	400 1.9%	800 7.5%	11,800 2.7%

* VFR = visiting friends and/or relatives

Source: Australian Bureau of Statistics Catalogue No. 3401.0

A high degree of variation between Japanese visitors and visitors from Hong Kong concerning the enjoyment of staying in Australia is evidenced by The International Visitor Survey 1989 (BTR 1990). The Japanese visitors expressed the view that the wildlife was the most enjoyable aspect of their Australian trip, while visitors from Hong Kong and the rest of Asia showed very little interest in wildlife (there are no individual figures for Taiwan and South Korea).

Table 1.4

ENJOYMENT OF STAY (1989)

In percentage

	Japan	Hong Kong	Asia*
Everything	9	12	10
People	12	19	23
Lifestyle	2	7	8
Family reunion	1	7	6
Friends	2	3	2
Climate	12	19	18
Beaches	9	4	5
Nature	7	5	4
Scenery	6	7	13
Open space	5	9	7
Wildlife	16	3	4
Great Barrier Reef	6	2	1
Sport	5	1	2
Food	3	10	6
Clean country	5	11	10
Shopping	8	2	5
Safe to travel	1	-	1
All other	10	8	14
Don't know	6	4	5

* Asia = Asia excluding Japan
Source: International Visitor Survey 1989, BTR.
The above column percentages may add to more than 100%

With respect to information sources, the same survey indicated that travel agencies are the most important source of information for Northeast-Asian visitors. The second most common source of information is relatives and friends.

Table 1.5

SOURCE OF INFORMATION

In percentage

	Japan	Hong Kong	Asia*
Travel agents	52	23	22
Travel books/guides	19	6	7
Friends in Australia	3	15	16
Friends visited Australia	6	6	11
Australian Embassy	6	7	6
ATC	5	3	1
Airlines	4	4	4
Newspaper/Magazine	5	3	4
Tour operator	5	3	4
Other	15	6	9
Total obtained infor.	84	52	52
Did not obtain infor.	16	48	48

* Asia = Asia excluding Japan
Source: International Visitor Survey 1989, BTR.
The above column percentages may add to more than 100%

Uniformly, the majority of travel arrangements were booked through travel agencies.

Table 1.7

TYPES OF BOOKING AGENTS

In Percentage

	Japan	Hong Kong	Asia*
Travel Agents	90	76	74
Airlines	4	16	16
Travel dept.	1	2	3
Tour operators	3	2	1
Other	1	2	1
Total used booking agents	99	98	95
Did't use booking agents	1	2	5

Most visitors from Hong Kong and the rest of Asia travelled non-group independently. In contrast, 80% of Japanese joined group tours.

Table 1.8

TYPES OF TOURS

In Percentage

	Japan	Hong Kong	Asia*
Holiday group tour	64	15	11
Business group tour	3	1	1
Other group tour	14	-	1
Total group tour	80	16	13
Non-group inclusive tour	6	9	4
Non-group independent tour	14	74	81
Total non-group tour	20	84	87

1.3 Purpose of this Study

The preceding overview has detailed the growth rate and highlighted some of the main features of outbound tourism from Northeast Asia. This study aims particularly at investigating the perceptions of the tourist industry in Northeast Asia regarding outbound tourist demand. The purpose of doing so is to provide insights into, and analysis of, the main characteristics of the demand and their implications for the Australian tourist industry.

Northeast Asia is a relatively new market for Australia and additionally, one that presents significant cultural differences. How best to tackle this market has been a difficult task for many tourist companies as well as government tourist organisations in Australia. It is hoped that the results of this research may serve as a useful guide for such companies and organisations in their future policy development.

1.4 Research Objectives

The precise objectives of this study are as follows:

- 1). To identify the main constraints on further increases of the outbound

tourism from Northeast Asia in the next ten years.

- 2). To identify the main characteristics of the outbound tourist demand from Northeast Asia.
- 3). To identify the most important factors which influence destination choices of Northeast Asian tourists.
- 4). To identify the major barriers to the selection of Australia as travel destination.
- 5). To identify the differences and similarities between the various Northeast-Asian countries in the above areas.
- 6). To identify the implications for the Australian tourist industry in the interest of future expansion in the Northeast Asian outbound tourist market.

1.5 Structure of this Thesis

To investigate the above issues, the study is divided into the following six additional chapters:

- * Chapter 2 reviews relevant literature
- * Chapter 3 introduces the methodology used to undertake the survey
- * Chapter 4 illustrates and interprets the descriptive statistic analysis results
- * Chapter 5 illustrates and interprets the hypothesis testing results
- * Chapter 6 discusses and evaluates the survey and statistical analysis results
- * Chapter 7 summarises and concludes the study.

CHAPTER 2 -

LITERATURE REVIEW

The proceeding chapter introduced the objectives of the study and provided some background evidence on the size and growth of outbound tourism from Northeast Asia (in general) and tourists to Australia (in particular). In this chapter, the relevant literature discussing outbound tourism and related issues were reviewed. This review is conducted under the following headings: *Tourism Demand and Demand Constraints, Travel Motivation and Personal Preference, Destination Attributes and Actual Outbound Travel and Perceptions and External Influence.*

2.1 Tourism Demand and Demand Constraints

Curiosity has long led people to explore new environments, seek new places, discover the unknown and enjoy new experiences. People have always travelled. Five thousand years ago, cruises were organised and conducted from Egypt. (McIntosh & Goeldner 1984). However, mass tourism is a recent phenomenon. Hudman and Hawkins describe it as "one of the major characteristics of modern times." (Hudman & Hawkins 1989, p.3).

Growth in tourism is conditioned by economic and technological

development. Besides people's desires and needs to travel and to explore the unknown, which is commonly referred to as the internal factor, (Pearce 1989, Mill & Morrison 1985, Hudman & Hawkins 1989, Mately 1976, McIntosh & Goeldner 1981), there are external factors which limit or contribute to actual tourism demand. Hudman and Hawkins categorised these external factors as: "political, social, environmental, economic and technological in nature." (Hudman & Hawkins 1989, p.19).

In the post-War period, the absolute population growth and rising standard of living, (which have resulted in more leisure time and greater discretionary spending), have greatly boosted the numbers of people who are able to travel. Further, the recognition of the economic value of tourism by both government and industry has also contributed to the development of tourism. As Pearce points out: "Public and private sectors in many parts of the world have actively fostered this demand and encouraged the expansion of the tourism industry." (Pearce 1989, p.30).

Although the political and economic environment since the War has been generally in favour of the growth of mass tourism, tourism is still subject to instability of demand. (Foster 1985, Murphy 1985, Pearce 1989). The reasons for this are that tourism is exposed to seasonal variations, unpredictable political and economic changes and changes of consumer tastes and preferences. (Foster, 1985). International tourism may be subject to even more constraints. Pearce (1989) points out that:

The international tourist must have the right to leave his own country and enter others. The tourist must also be aware of holiday destinations and have the ability to plan and organise his trip. Moreover, destinations must be physically accessible to the tourist which implies at least, a minimum of transport and accommodation infrastructure. (p. 25).

The relevant literature demonstrates strong confidence that the outbound tourism demand from Northeast Asia in the next ten years will increase at a higher rate than that from the rest of the world. (Edwards 1988 & 1990, Bailey 1988, Kong 1989, McCallum 1989, Rudge 1988, Sul 1991, Ue 1991, Hambley 1989, Gautier 1989). The strong general economic growth and the rise in private consumption expenditure are seen as the major contributors to the demand increase. Edwards suggested in his report "Far East and Pacific Travel in the 1990s" that the most important single influence on travel to and from the Far East-Pacific region in the 1990s will be the pace of general economic development in the main tourist origin countries. He further predicted that: "Our macro-economic projections suggest that in general economic performance in the main origin countries will be significantly better in the 1990s than in the 1980s." (Edwards 1990, p.11).

In the mean time, concerns about existing and potential limitations and constraints upon the outbound tourism demand from Northeast Asia are increasing. Baily (1988) pointed out that:

The general assumption among observers of Asian travel scene is that the continuing strong market growth will continue. The argument is about the rate of growth, how long it can be sustained and whether the infrastructure - airports, hotels and even price - will be able to cope. (p.73).

Similar opinion was also expressed by Dr Cheong Choong Kong in 1989 in a speech at the PATA Annual Conference in Singapore. Kong said that:

The travel industry today is enjoying the fruit of prosperity of plenty. But we should not forget the stresses and strains that are appearing which pose serious threats to the future. ...the overriding issue facing all of us is whether the travel industry and its infrastructure is geared to cope with this tremendous growth. (p.1).

Despite all concerns, air capacity has been the dominant issue. A study by Maiden (1988) found that both Hong Kong and Japan suffer from runway and terminal congestion. At present, the major international airports in Hong Kong and Japan can hardly cope with the pressure from the limited terminal and runway capacity. More seriously, this pressure will not be relieved easily as the development of airports is extremely time consuming. (Maiden 1988).

Similar opinions have also been expressed by the Australian Tourist Commission (ATC) representatives in Japan and Hong Kong. Mr Gautier

(Manager, ATC. Hong Kong) said that "airline seats are particularly tight on routes to Australia, Canada and the USA." (Gautier 1989, p.3), and the ATC Japan Manager, Mr Hambley (1989) holds the same view.

The importance of this issue has been underlined by the factor that in his report, Edwards developed two sets of forecasting figures for Japan; 'unconstrained' (by air capacity) and 'constrained'. This forecast has already accounted for the new Osaka airport (planned to open in 1992), uses of larger aircrafts, and increasing the use of the secondary regional airports. For Hong Kong, the problem is even greater as the new airport has yet to start construction; the targeted opening date in 1993 is clearly unrealistic. (Edwards 1990).

Air capacity in Taiwan suffers from a combination of shortages of trained personnel and the strict landing reciprocity imposed by the Taiwan Government. In the same report, Edwards noted that Taiwan's China Airways has had difficulty coping with the boom in outbound tourism on top of the recent growth in inbound tourism. Further Edwards points out: "although, deliveries of substantial new capacity have now started, crew training remains a bottleneck." (Edwards 1990, p.91). Reciprocal landing rights is the other concern in Taiwan. "By insisting on reciprocal landing rights for flights, Taiwan became somewhat isolated." (Rudge 1988, p.37). Many international airlines do not fly to Taipei for fear of political repercussions from China. Australia for a long time was in this

situation. The lack of a direct-flight link between Australia and Taiwan held back the growth in visitor arrivals (Gautier 1989). However, it appears that landing reciprocity may no longer be insisted upon. If so, interests from other countries in enlarging air traffic rights with Taiwan should ease the problem. (Edwards 1990).

Although there is no study analysing the cause, the pressure on air seats in South Korea is also very high. Mr Younggi Sul, the President of the Korea travel Bureau Inc., points out: "Korean travellers face a continual shortage of air seats. Sometimes getting in and out of Korea is the problem." (Y Sul 1991, p.3). The absence of a direct-flight link, (the air route between Australia and South Korea will open soon), and the insufficient capacity of the transit ports, for instance Hong Kong and Tokyo, have turned many potential visitors away. (Kim 1989).

When viewing Northeast Asia as one outbound tourism market, the air capacity constraints become more apparent. Each year, there are over 10 million Japanese, over 2 million Hong Kongers, over 2 million Taiwanese and about 2 million Koreans travelling in and out of the region, in addition to the inbound tourism to the region. Although successful macro-economic performance and a large population base in the region may boost the outbound tourist demand, the limitations of air-carrying capacity may restrict the actual outbound flow.

2.2 Travel Motivation and Personal Preference

Identification of travel motivation and personal preference, which involves a number of psychological and sociological concepts and arguments, is a very complicated issue. However, most researchers and scholars accept the assumption that 'human behaviour is goal-directed'. As Crompton notes: "the concept of equilibrium is inherent in most theories of motivation." (Crompton 1979, p. 415). Crompton further suggests that, as the result of this, more specific directive motives which guide the tourist toward the selection of a particular type of destination in preference to all the alternatives of which the tourist is aware.

There are as many travel motives as tourist attractions. (Mill & Morrison 1985, Matley 1976, Pearce 1989, McIntosh & Goeldner 1984). McIntosh has grouped basic travel motivations into the following four main categories: physical motivation related to physical relaxation and rest, sporting activities, medical treatment and so on; cultural motivation connected with the individual's desire to travel in order to learn about other countries and their people, their culture heritage, arts, music, literature and folklore; social motivation related to a desire to visit relatives or friends, enhance business commitment, and social status; and fantasy, which leads to adventurous or exploratory travel activities. (McIntosh & Goeldner 1984).

In comparison with the study of travel motivation, the personal preference for types of tourist attractions and travel-related services and their role in destination choice are less explored. If, as is generally agreed, human behaviour is goal-directed, personal preferences for types of attractions and travel-related services are directly derived from the perception of the destination attributes.

However, other variables have to be taken into consideration. For instance, education, age, cultural background, personal travel experiences, commercial advertising and so on. All these variables will impact on personal preferences for types of attractions and travel-related services. (McIntosh & Goedner 1984, Matley 1976, Pearce 1989).

Another argument is that the consumer preferences are partly dependent on the actual offerings in the market. This view is supported by substantial evidence from consumer research studies which have found that 'first-brand' awareness or 'top-of-mind' awareness is the most sensitive predictor of preference. (Axelrod 1968, Wilson 1981, Woodside & Wilson 1985). According to Raaji (1986) travellers construct their preferences from destination awareness.

It may be necessary to state that identification of the relationship between motivations and preferences or between supplies and preferences is

beyond the scope of this study.

The existing surveys of Northeast Asian tourists' travel motivations and personal preferences for types of attractions and travel related services indicate that the most important reasons for holiday taking revolve around the desire for new experience from different cultures, visiting historical sites, shopping, enjoying natural beauty and meeting family/friends. In addition, most travellers included major cities of the country they visited into their tour schedules. (Shakaichosa Outbound Index (SOI) 1988, Survey of Overseas Travel Trends, 1989, International Visitor Survey 1989, SRG/AGB Research Pacific Survey 1989).

The general view of the Australian tourism industry is that the Northeast Asian tourists prefer city attractions and like to be shown around places rather than to explore by themselves. In a speech at the market seminar-Asia, 1990, (Australian Tourist Commission) Williams stated:

Hong Kong Chinese travellers want to stay close to the major cities to pursue their interests of shopping, eating and nightlife. They also feel more comfortable in the city environment because they like plenty of activities... Taiwanese travellers want to visit the major cities. they like to cram their itineraries with as much sightseeing and tours as possible. They like eating, drinking and nightlife. (Williams & Yates 1990, p. 4 & 7)

Koreans are less selective in travel destination and their choice very much depends on what is available in the market. (Sul 1991). They also prefer to be shown around. Sul at the PATA seminar explains that:

Koreans are not ready for Club Med-type vacations yet. We enjoy the beach, but after about five minutes of laying around, we are ready to go somewhere. We are not yet ready to read maps and venture into towns. We prefer to be taken there and shown what is there. (Sul 1991, p.14)

Unlike the Chinese and Koreans, Japanese tourists have higher preferences for beach resorts. The Japan Tourist Bureau, (the largest travel company in Japan), found from its customer survey in 1991 that 72% of the survey respondents travel for natural beauty and scenery and most like to participate in tennis, golf and marine sports. (Ue 1991).

Statistically, most Northeast Asian tourists travelled in escorted group tours and stayed in international hotels (rather than family hotels). Dr Dichter has given a poetic explanation for this phenomenon: "It is an ambivalence, the desire to live in a cocoon, to be protected while at the same time to sail out and make the world our territory." (Dichter 1967, p.1).

Similar opinion has also been expressed by other researchers; McIntosh & Goedner point out, "not even modern man is completely ready to immerse himself wholly in an alien environment." (McIntosh & Goeldner 1984,

p. 155).

Many of today's tourists are able to enjoy the experience of change and novelty only from a strong base of familiarity which enables them to feel secure enough to enjoy the strangeness of what they experience. The organised mass tourist, (which is the most common form in outbound travel from Northeast Asia), is "the least adventurous and remains largely combined to his 'environment bubble' throughout his trip." (McIntosh & Goedner 1984, p. 156).

It is apparent that the nature of the fully escorted package tour is to create a micro-environment, 'maximum familiarity and 'minimum novelty'.

2.3 Destination Attributes and Actual Outbound Travel

Perceived destination attributes are believed to be the major influence on travellers' destination choice. As Mill and Morrison put it, "the decision to travel to a particular destination is linked to our perception of that destination." (Mill & Morrison 1985, p. 25). Consumers have a tendency to buy things that have attributes consistent with their own perceived image.

Since the diversity of the spatial distance and characteristics amongst destinations is so great, it is important to classify destinations. Perhaps the most widely accepted grouping of destinations by their attributes is built on Smith's identification of tourism types. He classified destination attributes into five broad categories: Ethnic, cultural, historical, environmental, recreational and business. (Smith 1977).

This classification system is by no means unassailable. McIntosh & Goedner once emphasised that destination areas can, and in most cases do, provide more than one type of tourism. Conversely, a tourist can select from a myriad of destinations which provide the same basic type of tourism. (McIntosh & Goedner 1984).

There are a number of authors and researchers that have attempted to explain past travel-flow patterns. Matley, for instance, perceives that the uneven spatial distribution of international tourist activities is the result of the uneven distribution of the following factors: tourism resources at destinations; changes in seasons; international and domestic political situations; economic changes in countries of origin and destination; fluctuations in monetary exchange rates; increases or decreases in prices of tourist services; safety of the destination; and special short duration attractions and events. (Matley 1976).

The main criticism of this approach is that it ignores the historical and

present linkages between origin and destination countries and their impact on tourism flows. Over a nine-year period of examination (1958-1966), Williams and Zelinsky (1970) found that international travel flow is not random but has distinctive patterns. When the pattern is established, it will stay unchanged. They suggested that the uneven spatial distribution of international tourist flows is also due to the presence or absence of past or present international connectivity which includes economic, military, culture, personal and other ties and linkages between countries. Williams and Zelinsky illustrated the relationship of flows between destinations by examining the flow of travellers between fourteen destinations including the United States, Japan, the United Kingdom, France, the Netherlands, Benelux, West Germany, Scandinavia, Austria, Switzerland, Italy, Iberia, Greece, and South Africa.

From the examination of the actual outbound tourist flow over 1981 to 1988 period, the outbound departure from Northeast Asia showed a distinctive and stable pattern. Unfortunately, so far, there has been no study exploring factors contributing to this pattern.

A recent survey of preferences for destination countries among Northeast Asian residents evidenced a disequilibrium between the preferred destination and the actual destination. The survey, (conducted by Survey Research Singapore), found that when asked about their

holiday destinations, Koreans first mentioned Europe, followed by the U.S.A, Japan then China (mainland). The actual travel statistics of tourist departure as reviewed in the previous chapter suggests otherwise. The top five destinations in 1988 were Japan, the U.S.A., Taiwan, Hong Kong, and Thailand.

A similar situation was also found amongst Taiwanese. In the same survey, Taiwanese responses to the preferred destination countries were in order of, Japan, Europe, Hong Kong, the U.S.A then Thailand. (McCallum 1989). Statistically, the top five destinations (1988) were Hong Kong, Japan, the U.S.A, Thailand and South Korea.

A considerable gap between preferred destination country and actual destination country also exists in Japanese outbound travel. The latest industry survey, "Mainichi Air Traveller 1990", showed that the most desired destination of the Japanese is Australia. The top ten destination countries ranked in that survey are: Australia, Canada, Switzerland, New Zealand, Spain, Greece, Italy, France, the U.K, the last being the U.S.A (Morris 1991). However, the reality is that only slightly over 3% of total Japanese outbound travellers departed for Australia, while the U.S.A has accounted for more than one-third of the total Japanese overseas tourist departures.

2.4 Perceptions and External Influence

As discussed above, the choice of a travel destination is in part based upon the tourist's perception of its ability to satisfy the felt needs. The critical emphasis here is on the word perception. People react to the world as they perceive it to be, not necessarily as it is. (Hudman & Hawkins 1989). Hudman and Hawkins further suggest that "perceptions of other places or cultures are formed mostly by the externalities in our lives - by others rather than our own direct contacts." (p. 55) Some external influences affecting people's perceptions are: media, news, friends and family and ethnic jokes. When one is exposed to them, the attitudes and perceptions are formed by forces outside first-hand experience. (Hudman & Hawkins 1989, McIntosh & Goedner 1984, Pearce 1989).

Um and Crompton (1990) concluded in their study that the image of a place as a pleasure travel destination is derived from attitudes towards the destination's perceived tourism attributes. They said:

As potential travellers generally have limited knowledge about the attributes of a destination, which they have not previously visited, the image of a place as a travel destination are likely to be critical elements in the destination choice process, irrespective of whether or not they are true representations of what that place has to offer. (p.433)

Mill & Morrison categorised the sources of tourism information into two major elements - commercial environment and social environment. The commercial environment refers to information coming from companies, destinations, countries or tourist businesses, and the social environment to friends, relatives and reference groups. (Mill & Morrison 1985). Much evidence suggests that the social environment - influences of friends and family, is instrumental in selecting a travel destination. Gitelson and Crompton reported that 74% of all respondents of their survey indicated that they had received travel information from friends and relatives, whereas 20% had received travel information from print media. (Gitelson & Crompton 1983). Nolan (1976) also found that the most influential source of information for destination choice was interpersonal relationships with family, friends and relatives.

The role(s) of travel agencies in the process of consumer destination choice has also been noted by many researchers. As Michie and Sullivan pointed out, "travel agents are professionals who draw on a body of knowledge and skills to help travellers get the pleasure they want. They represent 'the primary' distribution intermediary for travel products." (Michie & Sullivan 1990, p. 32). A series of reports by Louis Harris & Associates, (1971 to 1981), revealed that between 30% and 40% of those who visited travel agencies in the U.S.A had only a vague idea of where they wanted to go, and thus relied, to great extent, on the agent's advice in selecting a destination.

Perception of Australia, either as a country or tourist destination is very different from the four countries/regions studied. For example, Japanese think of Australia as an exciting tourist destination, and Australians are hospitable and friendly, while to Hong Kong people, Australia is a third-tier destination, and Australians are considered to be racist. (William & Yates 1990, Garnaut 1989). Unfortunately, there has been no comprehensive study exploring the most influential factor/factors on the perception of people in Northeast Asia of Australia. In general, it was accepted that the media, commercial advertising and interpersonal contacts have had a significant impact on public perceptions. (William & Yates 1990, Garnaut 1989).

According to "The International Visitors Survey 1989" (BTR. 1990), the most important tourist information source is from travel agencies. About half of the survey respondents indicated that they obtained tourist information on Australia from travel agencies or travel books/guides. Friends/relatives were the second important source of information. The same survey showed that nearly two-thirds of the respondents booked their trips through travel agencies.

2.5 Conceptual framework

To conclude the above discussion, a framework of actual demand elements is developed in order to provide a structure for the present study (Figure 2.1). This framework is based on the concept that the interactions between basic, personal, functional and affective elements shape the actual outbound tourism demand.

Where the basic element may be described as the external inputs to the actual demand, the macro-economy, government regulations, the size of the population and the tourist infrastructure will either contribute to or limit actual outbound tourism demand.

The personal element is regarded as the internal inputs, which characterise the uniqueness of the demand from Northeast Asia. It concerns the travel motivations and personal preferences of individual travellers.

The functional element involves the practicality and reality of the process of forming actual demand. It is the transformation of wants into actions. Most studies of this aspect assume that human behaviour is goal-directed. Therefore, destination attributes, such as attractions, distance, climate and safety are the major determinants of the destination choice. However, there is increasing evidence which indicates that the present or past ties and linkages between individuals and countries,

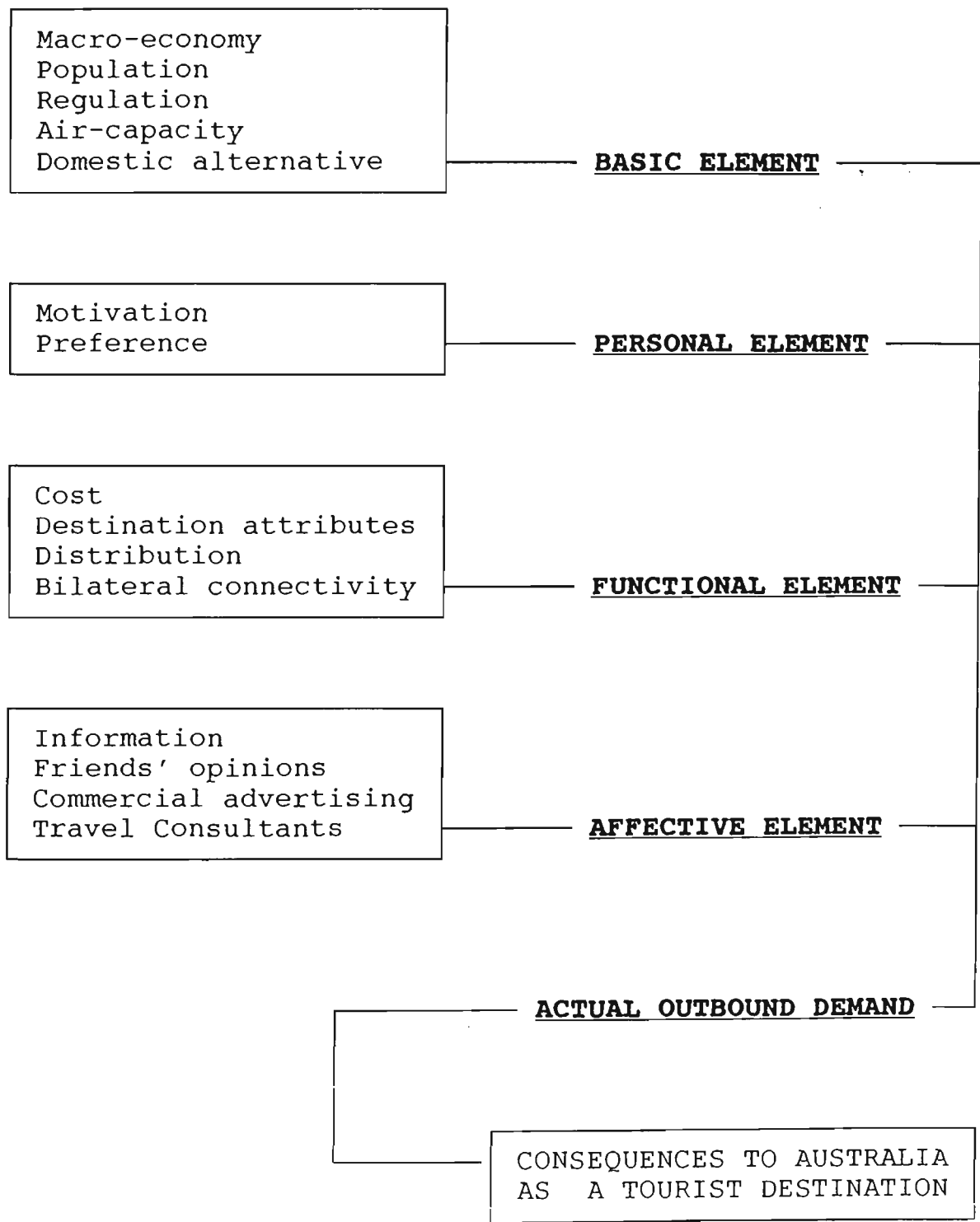
cost and distribution networks are equally important.

The affective element is the most dynamic element of all. Unlike the other three, the affective element of a destination can change dramatically in a relatively short time. The impact of such change on actual demand can be substantial. People make a destination choice based on the perception of the destination. The majority of people take holidays to places they have never been to before. Therefore, the type of information displayed or other means of communication make people believe that a particular destination, among all possible alternatives, will best satisfy their travel needs.

Consequently, the basic and personal elements are the stimulators of demand; and the functional and affective elements are the factors influencing destination choices.

Figure 1.1

ELEMENTS OF ACTUAL OUTBOUND DEMAND



CHAPTER 3 - METHODOLOGY

This chapter has particular relevance to the survey which was conducted to fulfil the stated aims and objectives of the study. To avoid duplication, these aims and objectives will not be repeated.

The need for, the procedure and the limitations of the survey will be discussed separately. However, the detailed theoretical reasoning is not undertaken, as this is outside the scope of the study.

3.1 Identification of the Need for a Survey

The literature and statistics reviewed in the previous chapters have provided considerable useful information on outbound tourist demand from Northeast Asia. At the same time, the review also highlighted the inadequacy of structured research in this topic. The main deficiencies of the existing literature and data analysis for meeting the objectives of this study are in the following areas:

- (1). The problem identified in some studies is discussed in isolation from other relevant issues. For example, Maiden's study concludes that the flight-carrying capacity will be the major constraint which may

suppress demand from the region. This conclusion is drawn from analysis of the infrastructure capability without comparison to other alternative factors, namely, the pace of economic growth, government intervention and so on.

(2). In many cases, statements were made solely based on individual observation. For example, Williams (1990) stated: "Taiwanese travellers want to visit the major cities." The representativeness of this statement is uncertain.

(3). Existing survey results and statistics are not in all cases consistent. For example, some surveys showed that Australia is the first preferred travel destination, while statistically, only a very small proportion of total outbound traffic flows into Australia.

(4). In some areas, no study has been conducted. For example, there is no study to identify the selection criteria and choice determinants of the Northeast Asian tourists.

(5). The information and evidence is from different sources. Their representativeness is not the same. Further, there is also a time factor which challenges the validity of these evidences.

Due to the above, clearly, the objectives of this study could not be achieved

by the analysis of the existing literature alone. Consequently, an independent and carefully designed survey is required.

3.2 Development the Hypothetical Assumptions

Hypothetical assumptions are developed on the basis of existing knowledge of outbound tourist demand from Northeast Asia. However, the hypothetical assumption does not necessarily arise immediately from findings or statements in the existing literature. In most cases, a particular hypothetical assumption is evolved from a variety of relevant evidence. When the evidence or research on a topic is insufficient, a recognised theory in the field is adopted.

The detailed hypothetical assumptions are as follows:

H1) In the next ten years, the major constraint on further increases in outbound tourism demand in Northeast Asia is flight-carrying capacity

H2) The main characteristics of Northeast Asian outbound tourism demand are:

H2.a. that travel needs revolve around the desire to see well-known attractions

H2.b. related to H2.a, the degree of popularity of an attraction is more important than attraction attributes

H2.c. regarding the type of travel-related services, tourists prefer the kind of services which will create a familiar micro-environment as at home.

H3) The choice of a destination country is largely determined by the presence of bilateral connectivity, including personal connections between countries.

H4) The most influential factors on destination-choice are:

H4.a. travel consultants knowledge about the destination,

H4.b. friends' opinions about the destination,

H4.c. commercial advertisements of the destination.

H5) The major barriers to people in Northeast Asia selecting Australia as their travel destination are:

H5.a. lack of well-known attractions

H5.b. unfamiliarity about Australian tourist products by travel consultants
at retail agencies

H5.c. limited flight-carrying capacity

3.3 Survey Design and Questionnaire

The survey is aimed exclusively at verifying whether the above assumptions are true or false at a reasonable level of probability.

The decision to use a mail survey technique was dictated by the constraints of geographic distance and the number of countries involved. Personal interviews or telephone surveys were beyond the capacity of this research budget.

The design of the questionnaire is focussed first on presenting the questions in a "simple" and consistent form so that they could be easily understood by the respondents, and second, on using numerical measurement as a means of assessment. The purpose of the latter was to avoid simple yes or no answers, thus ensuring that detailed differentiation could be identified. Furthermore, numerical measurement allows the application of quantitative statistical analysis techniques when evaluating survey results.

The final version of the questionnaire consists of seven questions. These questions were intended to measure:

1. Factors which will restrict further increases in outbound tourism demand from the respondent's country in the next ten years.
2. Main reasons for taking long-haul trips.
3. Preferences for attractions by tourists from the respondents' country/region.
4. Preferences for travel-related services.
5. Factors which influence destination choices.
6. Barriers to the selection of Australia as a travel destination.

For each question, between nine to thirteen independent variables were provided. The respondents were asked to give an importance rating from 1 (minimum) to 5 (maximum) to all variables (for details of questionnaire, see Appendix A).

3.4 Survey Subjects and Responses

The survey subjects were the major tour operators and wholesale/retail companies in Northeast Asia and their representative offices in Australia.

The mailing list was sourced from the following organisations: Japan National Tourist Organisation (Sydney), Hong Kong Tourist Association (Sydney), Far East Trading Co. Pty. Ltd. (Melbourne), Korea National Tourism Corporation (Sydney). The total survey population included 97 companies. The distribution of the 97 companies was as follows: Japan 15, Hong Kong 31, South Korea 30, Taiwan 21.

Further, it was requested that the questionnaire should be answered by persons with considerable experience in the outbound tourist industry and who held a managerial position.

The survey began in September 1991 with the sending of the questionnaire to the prospective respondents. This was followed by a follow-up letter in October 1991. As the response rate was lower than expected by the end of October, facsimile and telephone communications with prospective respondents were carried out in early November 1991.

The survey was closed on the 1st of December 1991. Overall, a response rate of 35.05% was achieved. The details of response number and

response rate are illustrated in Table 3.1. As the table shows, the response rate from Japan was considerably higher than other countries/regions. One of the most important reason for this is that most of the major Japanese travel companies have established their representative offices in Australia, thus facilitating communications. In contrast, the absence of a formal diplomatic relationships between Australia and Taiwan limited communication channels and made the conducting of the survey on Taiwanese travel companies very difficult.

Table 3.1

RESPONSES BY COUNTRIES/REGIONS

Country	No. Sent	No. Res.	% Res.
Japan	14	9	64.3%
Hong Kong	31	11	35.5%
Taiwan	22	6	27.8%
South Korea	30	8	26.7%
Total	97	34	35.05%

The personal profile and level of management responsibility of the respondents was higher than expected. The majority of the respondents are currently holding key managerial positions in their organisations. This high profile increased the reliability and representativeness of the survey results.

(refer to Table 3.2).

Table 3.2

PROFILE OF RESPONDENTS

Position	Number
Vice President	1
Chairman	1
Managing Director	6
Executive Director	9
General Manager	8
Manager Marketing & Planning	5
Assistant General Manager	1
Manager of Inbound Section	2
Travel Consultant	1
Total	34

3.5 Analysis Technique and Procedure

The choice of analysis technique was restricted by the sample size. As the sample size was very small, the chance of utilising mutivariate statistical

analysis techniques, as a means of evaluating the survey results, was eliminated. Therefore, only descriptive statistical analysis technique and tests of significance were employed.

The data analysis procedure started with establishing database for data scanning. Basic statistics, such as mean, median, standard deviation, variance, and so on, were calculated by SPSS/PC+ (computer software for statistical analysis). The abstracted frequency distribution bar charts are exhibited in Appendix C.

The second stage of the procedure was to illustrate, interpret and summarise the findings of the central tendency of the data and the central tendency by countries/regions. This stage is demonstrated in Chapter 4.

The third stage of the procedure was hypothesis testing. It is important to note that the hypotheses to be tested were strictly limited to the established hypothetical assumptions. Other findings from the central tendency analysis were not tested. The aim of the hypothesis testing, testing method and outcomes is explained in Chapter 5.

The final discussion of the survey findings and their theoretical and/or factual reasoning are presented in Chapter 6.

The study is concluded by summarising the characteristics of outbound

tourist demand based on the survey and presenting the implications for the Australian tourist industry.

3.6 Limitations

The major limitations of the study are in the following areas:

- (1) The study concentrates only on the number of trips from Northeast Asia. The other aspects of outbound tourism demand, such as tourism expenditure, length of stay and number of nights spent overseas are beyond the scope of this study.
- (2) The tourist statistics referred to in this paper are secondary data produced by various institutions. As data collection methods differ from one institution to another, the figures are not comparable. For example, in Chapter 1, two sets of data are used in reference to the number of tourists visiting Australia; one is departure figures collected by the Pacific Asia Travel Association, the other is the arrival figures collected by the Australian Bureau of Statistics.
- (3) The survey samples are collected only from the major tour operators

and agencies in Northeast Asia and their representative offices in Australia. These may not necessarily represent the opinions of the small tour operators and agencies, which are large in number.

- (4) The sample size is small. The total mailing list was 97, and only 34 valid responses were received. Thus all results should be treated strictly as indicative rather than conclusive.
- (5) Finally, there are many different segments in the outbound tourist market. The travel motives and the factors which influence destination choices of each segment differ from one to another. This study concentrates only on the main stream of outbound tourism demand from Northeast Asia, which may not be relevant to a particular market segment.

Nevertheless, some useful insights into outbound tourism from Northeast Asia to Australia can be gained from analysis of the data collected in this survey.

CHAPTER 4 -

DESCRIPTIVE DATA ANALYSIS AND FINDINGS

The prime aim of this chapter is to describe the main characteristics of the data and the variables derived from the survey.

Each question is analysed separately under different headings. Because of the length and the diversity of the topics covered, a summary of findings is attached at the end of each heading, immediately after the analysis of the related question.

The measure of central tendency is one of the most basic and widely-used techniques for discerning similarities among a set of data. The arithmetic mean is selected as the means of measurement.

4.1 Major Constraint Factors

The possible constraint factor/factors on the increase of outbound tourism demand in the next ten years from Northeast Asia is measured by question 1, which was asked as follows:

In your opinion, the factors which will restrict further increases in outbound tourism demand in your country in the next 10 years are:

1.1 slow down of GDP growth

1.2 unfavourable fluctuations of exchange rate

1.3 only a small proportion of the local population is affluent

1.4 government disencouragement

1.5 your country's trade deficit

1.6 limited flight-carrying capacity

1.7 unpleasant travel experience

1.8 terrorism

1.9 racialism

1.10 better attractions & facilities at home"

4.1.1 Central Tendency Analysis

(a). Average Mean.

Figure 4.1

AVERAGE RATING OF CONSTRAINT FACTORS

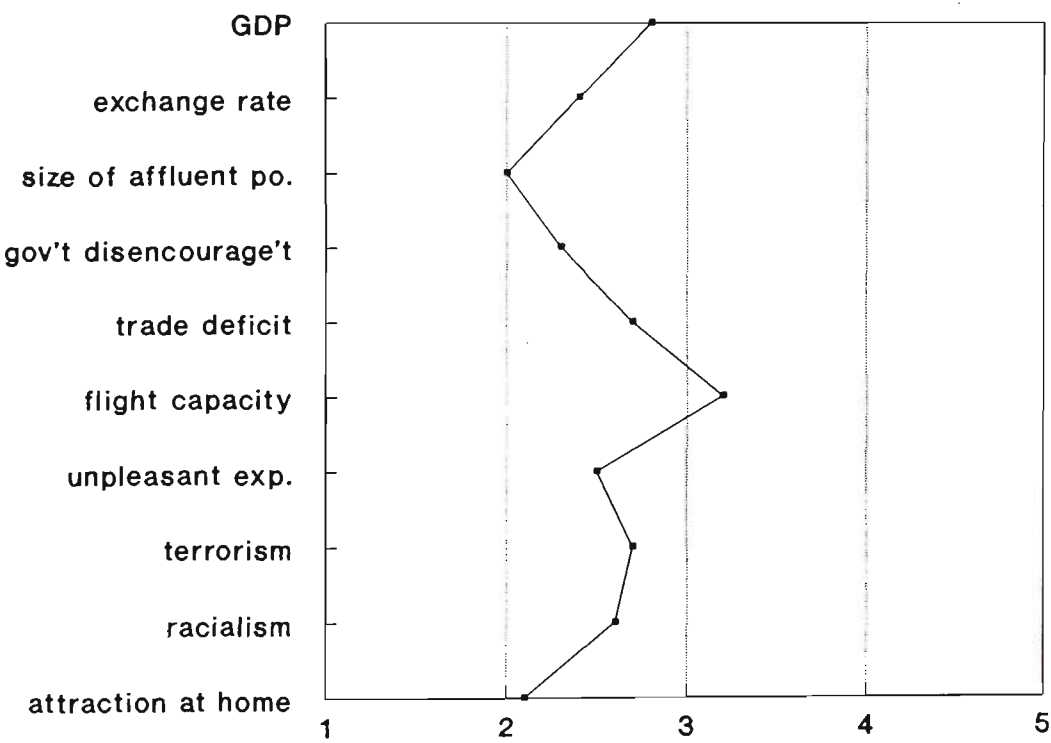


Figure 4.1 shows that 9 out of 10 variables were rated lower than 3. This can be seen as a strong indication that the respondents are confident about the general environment of outbound demand increase in the next ten years.

'Limited flight-carrying capacity' stood out as the major factor concerning the respondents, as it is the only

variable rated higher than 3. 'Slow down of GDP growth' followed as the second most highly rated variable.

The two lowest rated variables were: 'only a small proportion of the local population is affluent' and 'better attractions and facilities at home'.

(b). Average Rating by Countries.

Figure 4.2

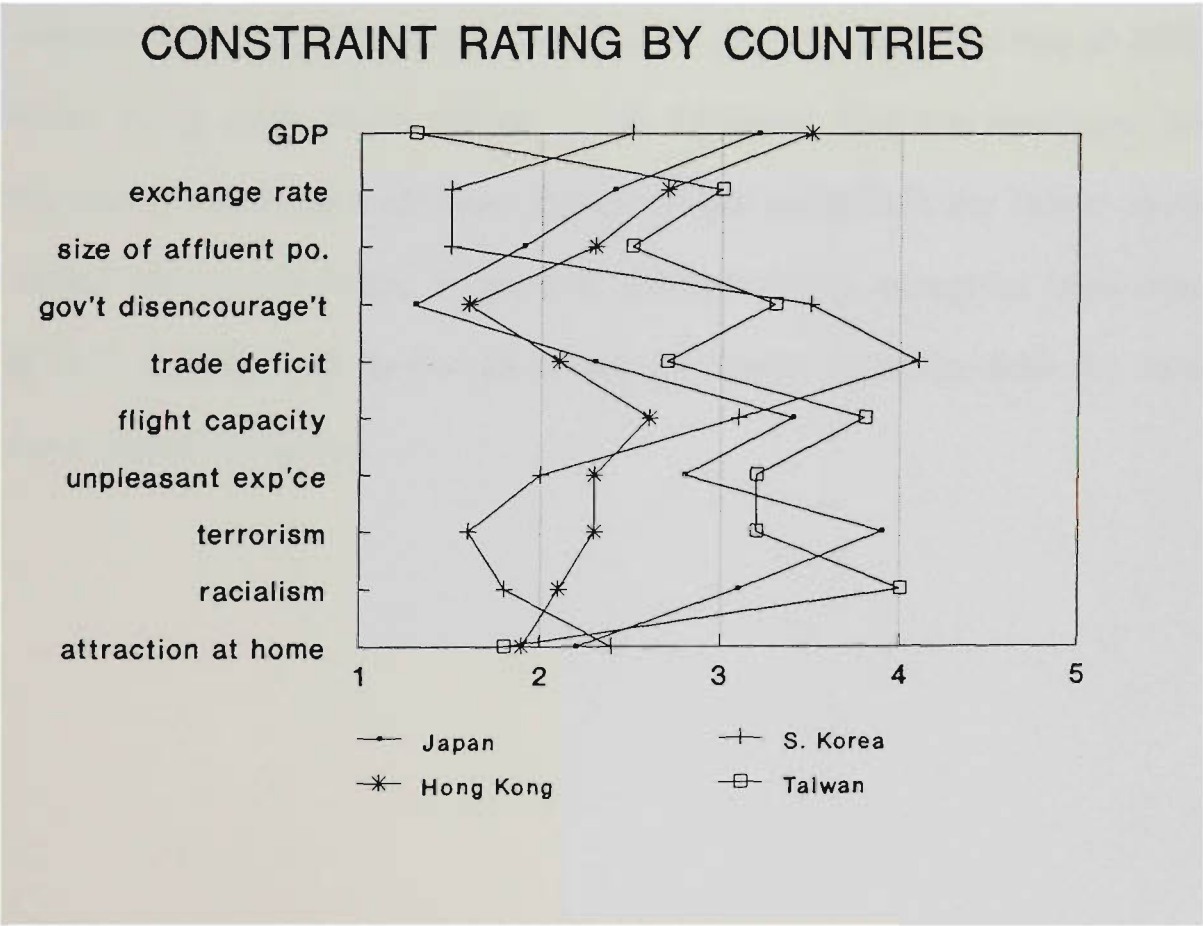


Figure 4.2 exhibits a very high variation between countries/regions in rating. In general, Japan and Hong Kong show some similarities in rating, although, Japan is more concerned about terrorism than the others.

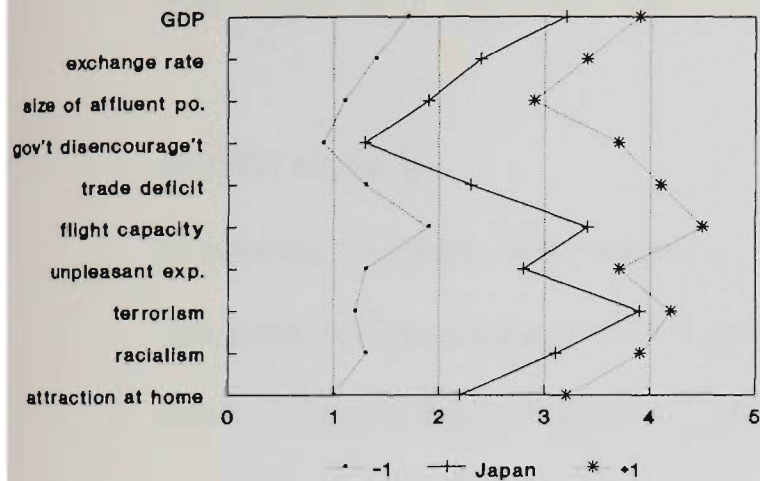
South Korea's rating pattern differs distinctly from the other three. 'Government disencouragement' and 'international trade deficit' are the major factors of concern. Another notable difference is that unlike the Japanese, terrorism is the lowest rated variable for Koreans.

In the case of Taiwan, the rating of 'slow down of GDP growth' and 'unfavourable fluctuations of exchange rate' are opposite from that of Japan, Hong Kong and South Korea. This indicates that the exchange rate fluctuation may have a stronger impact on the demand in the Taiwan tourist market than in the others. In general, Taiwan's rating, except for 'slow down of GDP growth' and 'better attractions at home', is higher than the other three countries/regions.

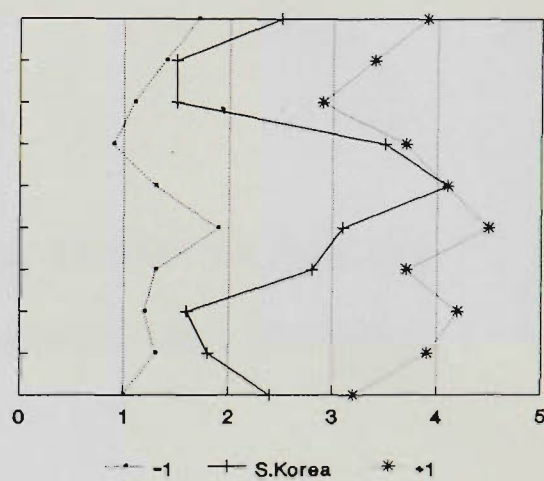
(c). Average Rating & Standard Deviation.

Figure 4.3

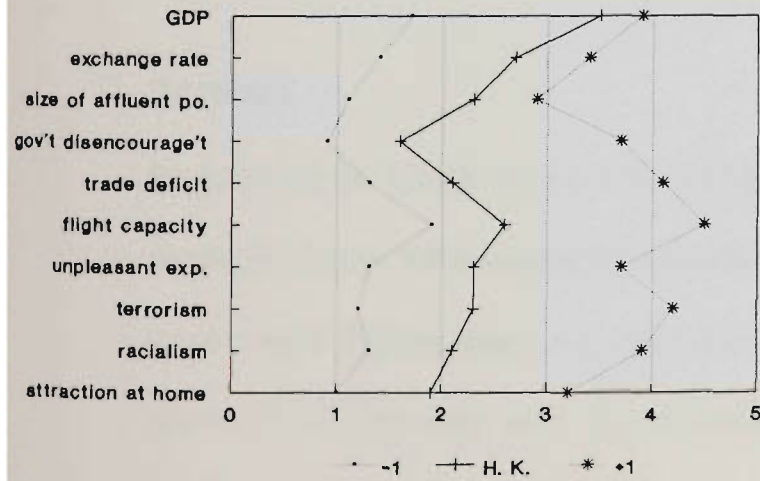
AVERAGE RATING OF JAPAN
& STANDARD DEVIATION (Q1)



AVERAGE RATING OF SOUTH KOREA
& STANDARD DEVIATION (Q1)



AVERAGE RATING OF HONG KONG
& STANDARD DEVIATION (Q1)



AVERAGE RATING OF TAIWAN
& STANDARD DEVIATION (Q1)

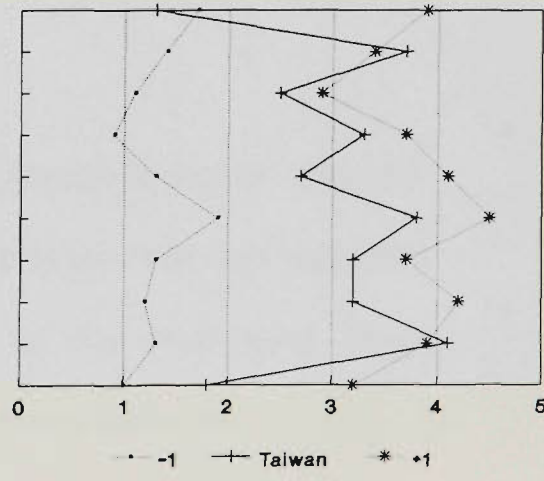


Figure 4.3 illustrates the followings:

JAPAN

The highest rated variable is terrorism. Racism is also rated higher than the average mean. On the other hand, 'government discouragement' is rated significantly lower than the average mean.

SOUTH KOREA

In contrast to Japan, the ratings of terrorism, and racism are lower and 'government discouragement' higher than the average mean. The highest rated variable is the international trade deficit.

HONG KONG

Most variables were rated slightly lower than the average mean. 'Slow down of GDP growth' is the only factor rated higher than 3.

TAIWAN

In contrast to Hong Kong, the rating of most variables is higher than the average mean. 'Unfavourable fluctuation of the exchange rate' and racism were rated higher than +1 standard deviations. On the other hand, 'slow down of GDP growth' was rated lower than -1 standard deviation.

4.1.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) The responses signified a considerable confidence in the general environment for increases of outbound tourism demand from Northeast Asia. Limited flight-carrying capacity stood out as the major concern which may constrain the demand increase.
- (2) The tourist industry in Northeast Asia does not believe that there will be a ceiling affect in the Northeast Asian tourist market in the next ten years. The degree of affluence of the general population is not seen as a constraint factor.
- (3) The development of domestic tourism is not perceived to be in competition with international tourism.
- (4) There are significant variations among Northeast Asian countries/regions in the major constraint factors.
- (5) Terrorism and racialism as constraint factors on the increase of outbound tourism demand are of high concern to the Japanese and Taiwanese tourist industries.

- (6) The South Korean tourist industry fears that the international trade deficit may result in their government's changing its policy regarding Korean residents travelling overseas.

4.2 Travel Motivations

The main motivations for people in Northeast Asia to take a long haul trip are measured by question 2, which was asked as follows:

From your knowledge and experience, the reasons why your clients take a long haul trip are:

- 2.1 to see famous attractions*
- 2.2 been to neighbouring countries already*
- 2.3 to see how people live in that country*
- 2.4 to escape from daily routine*
- 2.5 to visit friends/relatives*
- 2.6 other people went, I must go*
- 2.7 a proper thing to do for social status*
- 2.8 to relax and enjoy life*
- 2.9 for health reasons*
- 2.10 to study*

2.11 to do business

2.12 thinking of migrating to that country

4.2.1 Central Tendency Analysis

(a). Average mean.

Figure 4.4

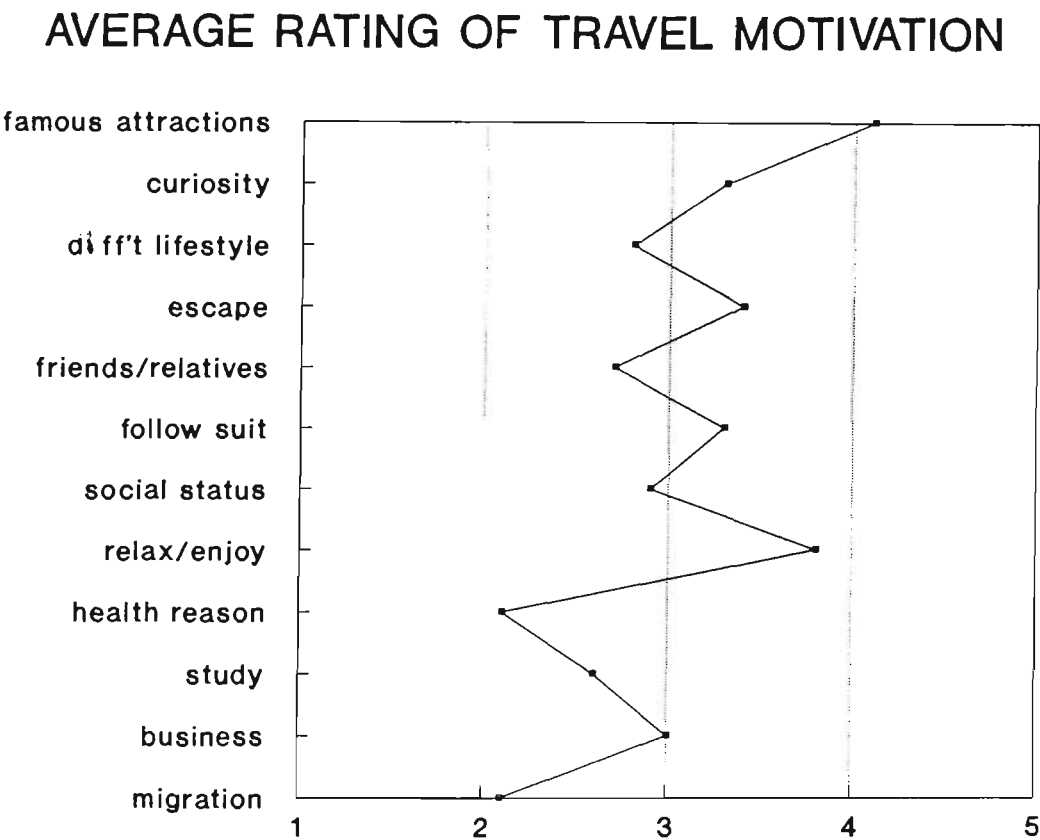


Figure 4.4 shows that the highest rated variable among the 12 possible reasons for travelling overseas is 'to see famous attractions', followed by, 'to relax and enjoy life'.

Most of the variables for question 2 were rated higher than 3. This indicates that the reasons for travelling in Northeast Asia vary, and possibly, that travel need is derived from a combination of different reasons.

The variables rated higher than 3 are:

2.1 to see famous attractions

2.2 been to neighbouring countries already

2.4 to escape from daily routine

2.6 other people went, I must go

2.8 to relax and enjoy life

2.11 to do business

The two lowest rated variables are:

2.9 for health reasons

2.12 thinking of migrating to that country

(b). Average Rating by Countries

Figure 4.5

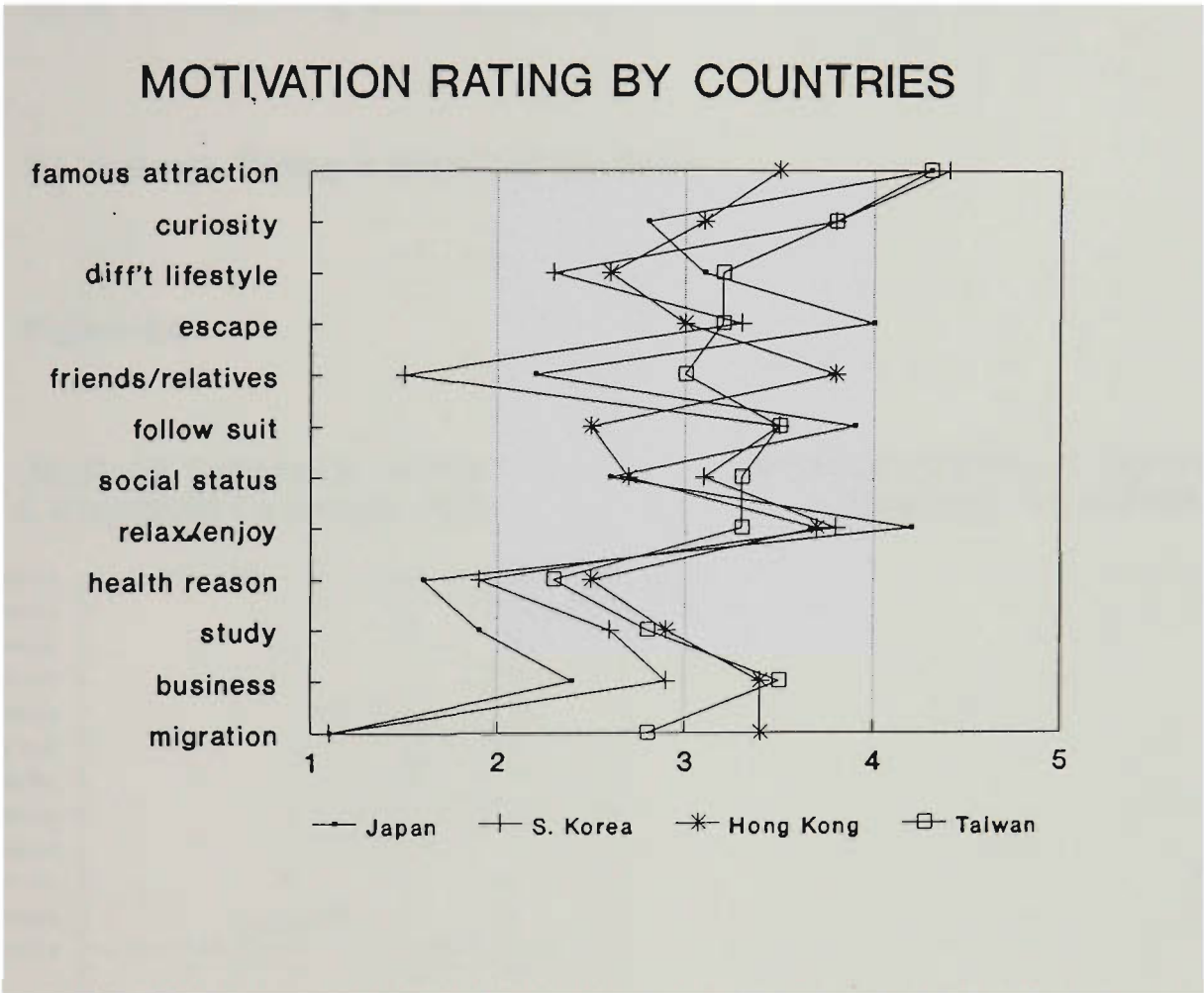
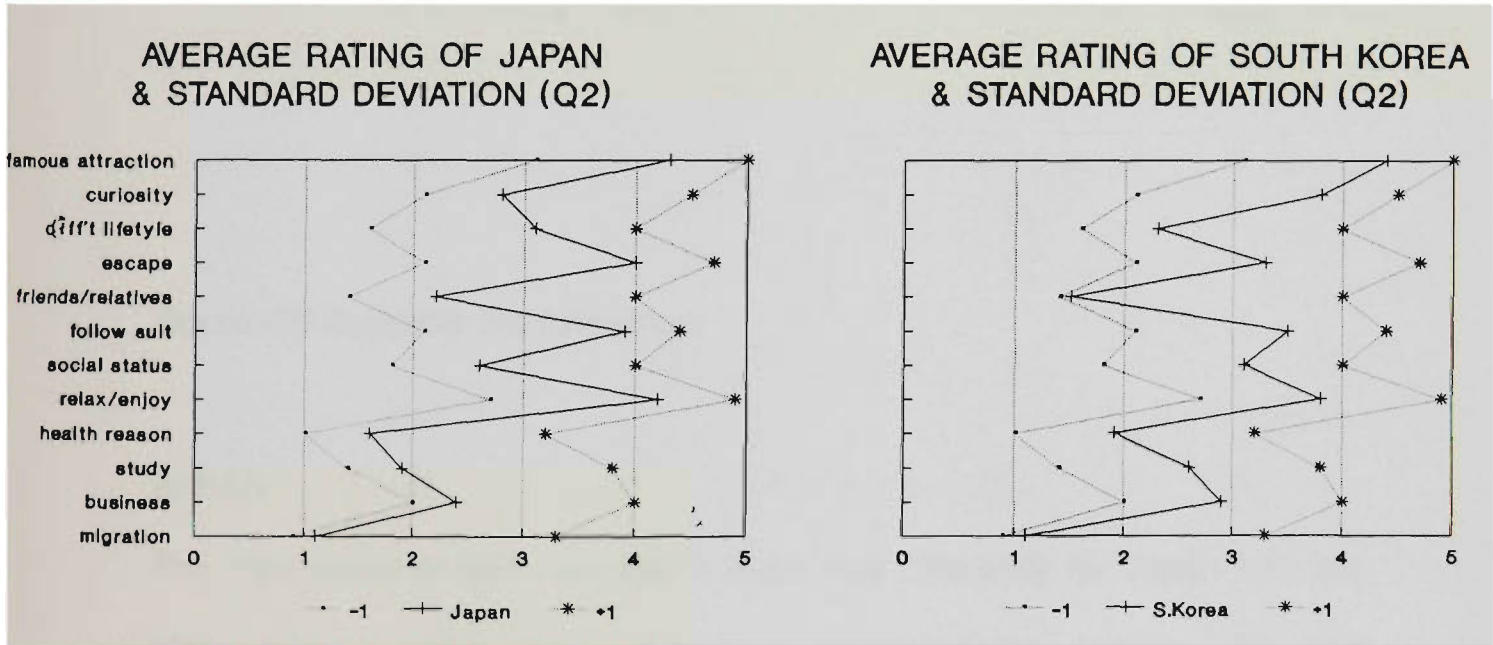


Figure 4.5 revealed the similarities and the differences between the countries/regions. In general, the perceptions of either the importance (higher score) or lack of importance (lower score) of each variable are more pronounced in Japan and South Korea than either in Hong Kong or Taiwan.

The Hong Kongese rating of 'to visit friends/relatives' and 'other people went, I must go' is higher than the other three. This indicates that 'to visit friends/relatives' may be a more common reason for travelling overseas for people from Hong Kong than from the other three countries/regions. Another notable difference is that the rating of 'thinking of migration' is much higher in Hong Kong and Taiwan than in Japan and South Korea.

(c). Average Rating & Standard Deviation

Figure 4.6



(Figure 4.6 cont.)

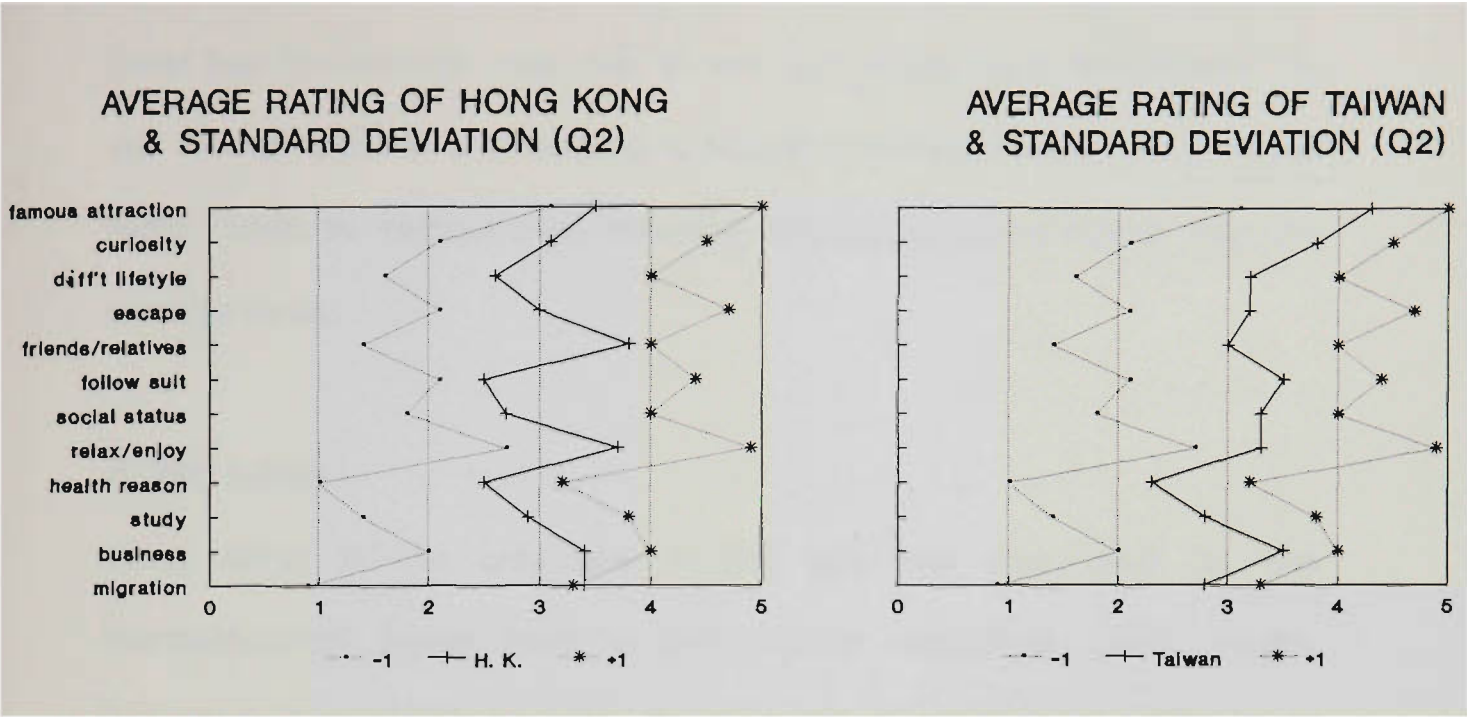


Figure 4.6 illustrates the followings:

JAPAN

The importance of each variable is rated very differently for Japan than the other three. The most distinctive characteristics include, 'to visit friends/relatives', 'for health reasons', 'to do business' and 'thinking of migrating to that country' rated significantly lower, while 'to escape from daily routine', 'to relax and enjoy life', 'other people went, I must go', rated higher than the average mean.

SOUTH KOREA

As in Japan, the difference in the importance of each variable is strongly emphasised in South Korea. The variables which are rated significantly lower than the average mean are: 'to see how people live in that country', 'to visit friends/relatives' and 'thinking of migrating to that country'. On the other hand, 'been to neighbouring countries already' is rated higher than the average mean.

HONG KONG

Hong Kong is the only one among the four that rated 'to visit friends/relatives' higher than 'to see famous attractions'. Other notable features include, 'other people went, I must go' rated lower, and 'to do business', 'thinking of migrating to that country' rated higher than the average mean.

TAIWAN

The rating difference between variables is narrower for Taiwan. Among the 12 variables, nine of them rated higher than 3. The three variables which rated lower than 3 are: 'for health reasons', 'to study', and 'thinking of migration'.

4.2.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) 'To see famous attractions' and 'to relax and enjoy life' were perceived to be the most common motivations for long-haul overseas travel.
- (2) With the exception of Hong Kong, the tourist industries in the other three countries/regions believe that 'other people went' can be the main reason which motivates people to purchase an overseas trip.
- (3) Unlike the other three, the Hong Kong tourist industry believes that 'to see famous attractions', 'to visit friends/relatives', 'to relax and enjoy life', and 'to do business' are of similar importance as motivations for travelling overseas.
- (4) The responses indicated that people in Northeast Asia are unlikely to purchase a long haul trip for health reasons.
- (5) Preparing for future migration has been accepted as an important motive for travelling by the tourist industry in Hong Kong and Taiwan.
- (6) The tourist industry in South Korea and Taiwan believes that demand for long haul travel will increase after people in their country have visited

neighbouring countries.

4.3 Preference for Attractions

The preference for types of attractions is measured by question 3, which was asked as follows:

From your knowledge and experience, the type of attractions your clients like the most, and usually prefer to include in their tours are:

3.1 places which are very well known

3.2 museum and art gallery

3.3 major city of the country

3.4 major shopping centre

3.5 historical site

3.6 national park

3.7 zoo

3.8 beach resort

3.9 resort with various sports facilities

3.10 scenic and picturesque area

3.11 entertainment and gambling location

4.3.1 Central Tendency Analysis

(a). Average Mean

Figure 4.7

AVERAGE RATING OF ATTRACTION PREFERENCE

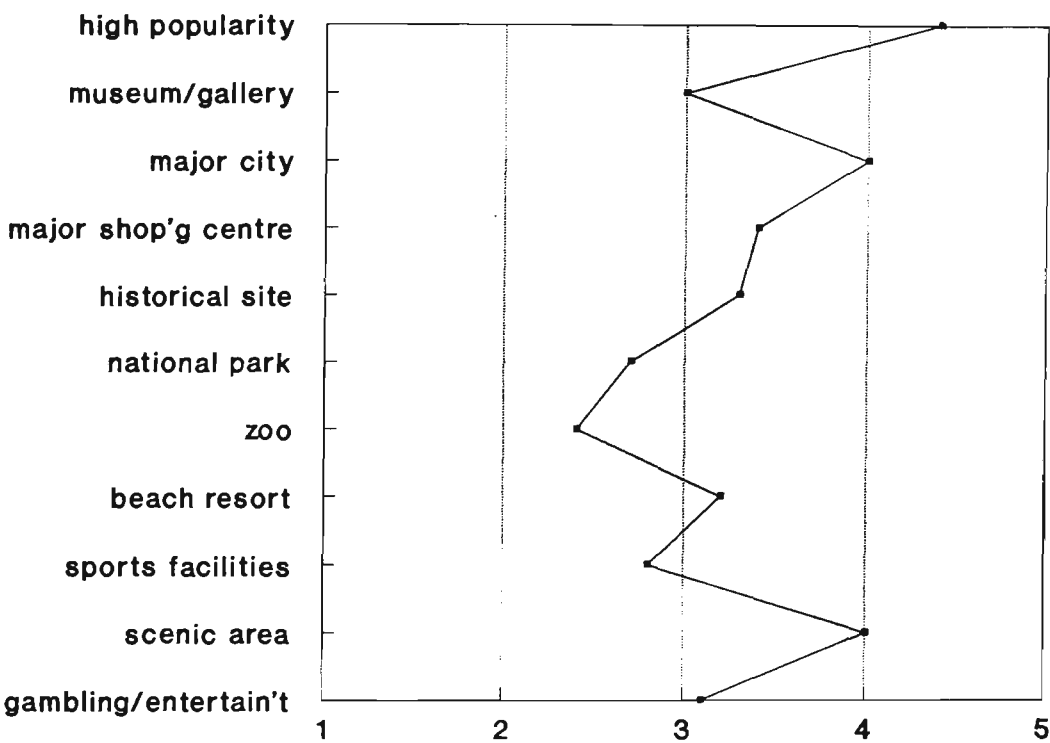


Figure 4.7 shows that the highest rated variables among the 11 different attraction attributes are: 'places which are very well known', followed by 'major city of the country' and 'scenic and picturesque area'.

As for question 2, most of the variables were rated higher than 3. This indicates that there is a diversity of interest among Northeast Asian tourists. Nevertheless, national parks and zoos as tourist attractions are not as favoured as other attractions.

The variables rated higher than 3 are:

- 3.1 places which are very well known
- 3.2 museum and art gallery
- 3.3 major city of the country
- 3.4 major shopping centre
- 3.5 historical site
- 3.8 beach resort
- 3.10 scenic and picturesque area
- 3.11 entertainment and gambling location

The two lowest rated variables are:

- 3.6 national park
- 3.7 zoo

(b). Average Rating by Countries

Figure 4.8

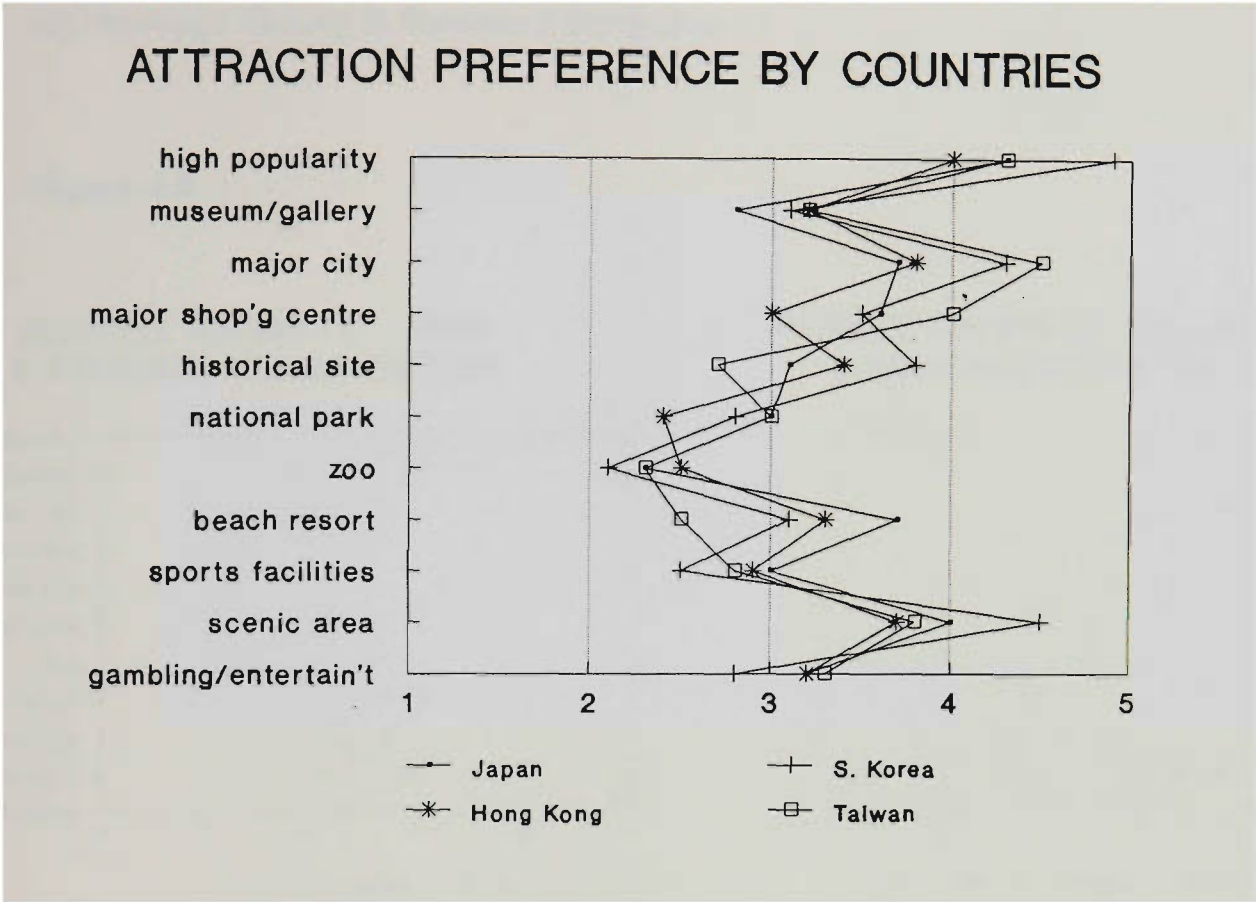


Figure 4.8 clearly shows that unlike question 1 and question 2, the average rating of question 3 is very similar among the four countries/regions. The top three attraction attributes are: 'places which are very well known', 'major city of the country', and 'scenic picturesque area', which show very little variation.

However, some differences occurred in the assessment of 'major shopping centre', 'historical site' and 'beach resort'. Japan and Taiwan rated shopping centres ahead of historical sites. Reversing this order, South

Korea and Hong Kong think the historical site is more important. Compared with the other three, Taiwanese showed very little interest in beach resorts.

(c). Average Rating & Standard Deviation

Figure 4.9

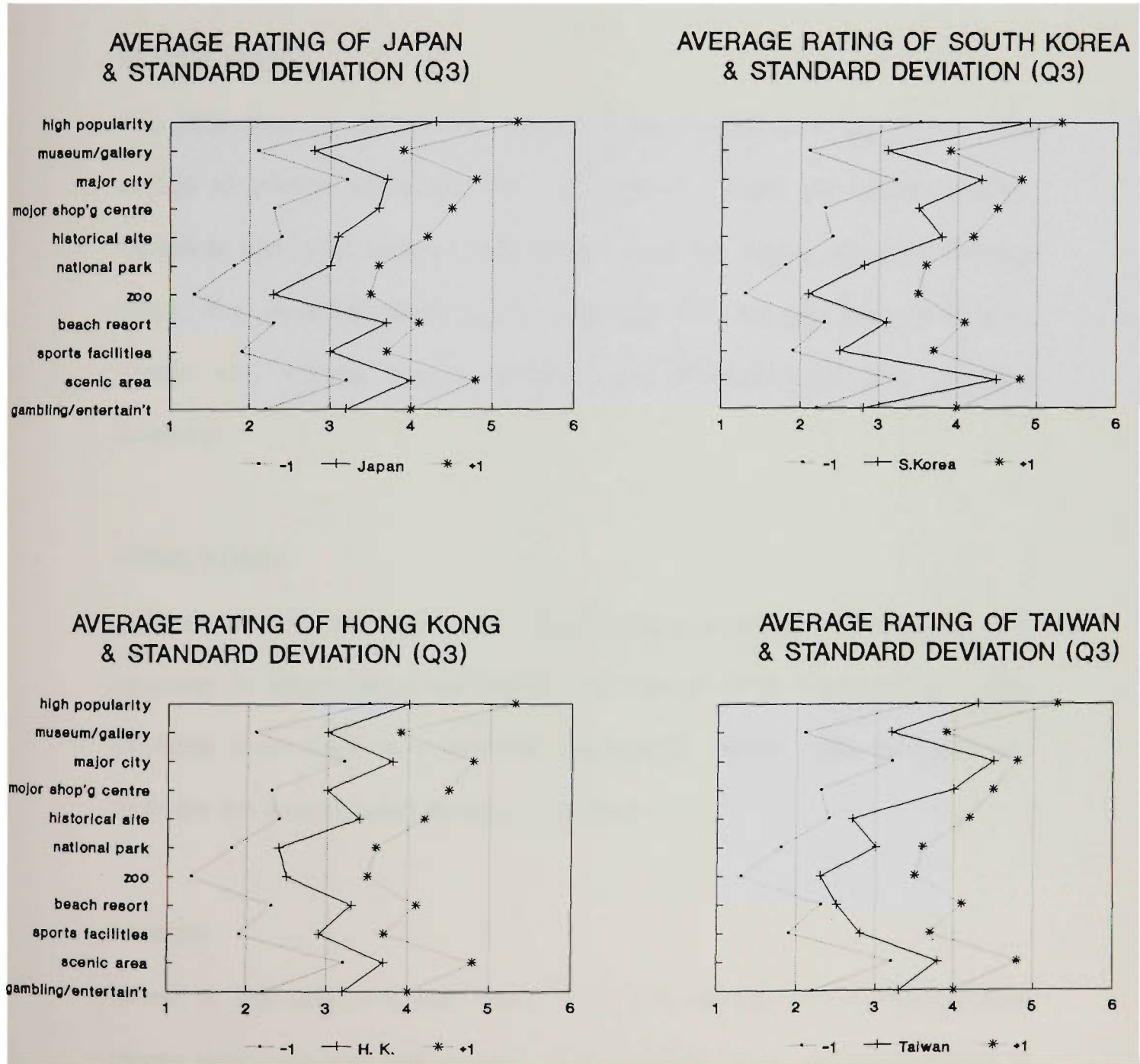


Figure 4.9 illustrates the followings:

JAPAN

Japan rated 9 out of 11 variables higher than 3. The most notable feature includes the significantly lower rating of museums and art galleries, and higher rating of beach resorts.

SOUTH KOREA

The difference in importance rating of each variable is significant. The ratings of 'places which are very well known', 'major city of the country', 'historical site' and 'scenic picturesque' area are higher than the average mean. The variables which rated lower than the average mean are: 'zoo', 'resort with various sports facilities' and 'entertainment and gambling locations'.

HONG KONG

In contrast to South Korea, the rating difference between the variables is narrower. In most cases, the ratings are between 3 to 4 scores, but unlike the other three, there is no variable rated higher than 4. National parks and zoos are the lowest rated attraction attributes.

TAIWAN

Taiwan is the only one that rated 'major city of the country' higher than 'places which are very well known'. The rating of 'major shopping centre' is

also significantly higher than the average mean. On the other hand, the ratings of historical sites and beach resorts are much lower than the other three.

4.3.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) The survey results demonstrate that the preference for types of tourist attractions are very similar among the four Northeast Asian countries/regions.
- (2) The popularity and the fame of a tourist attraction is perceived to be far more important than the attraction attributes.
- (3) The scenic and picturesque areas are believed to be as attractive as major cities to their clients.
- (4) Although the scenic and picturesque areas are highly regarded, the term national park seems to have very little appeal.
- (5) Zoos and resorts with sport facilities are perceived to be the least preferred of the 11 attraction attributes.

- (6) Beach resorts are not yet an attraction highly favoured by Northeast Asian tourists. Among the four, Japan showed slightly higher interest.
- (7) The tourist industry of Taiwan and Japan believe that their clients would rather go shopping than visit historical sites. However, the perceptions of Hong Kongese and South Koreans is the opposite.

4.4 Preference for Travel Service

The preference for types of travel related services is measured by question 4, which was asked as follows:

From your knowledge and experience, the type of travel services your clients appreciate when they make a long haul trip are:

4.1 first class accommodation

4.2 middle range accommodation

4.3 escorted package tour

4.4 individually designed tour

4.5 information in native language

4.6 busy tour schedule

4.7 plenty of time to explore or relax

4.8 exotic cuisine

4.9 Asian food

4.4.1 Central Tendency Analysis

(a). Average Mean

Figure 4.10

AVERAGE RATING OF SERVICE PREFERENCE

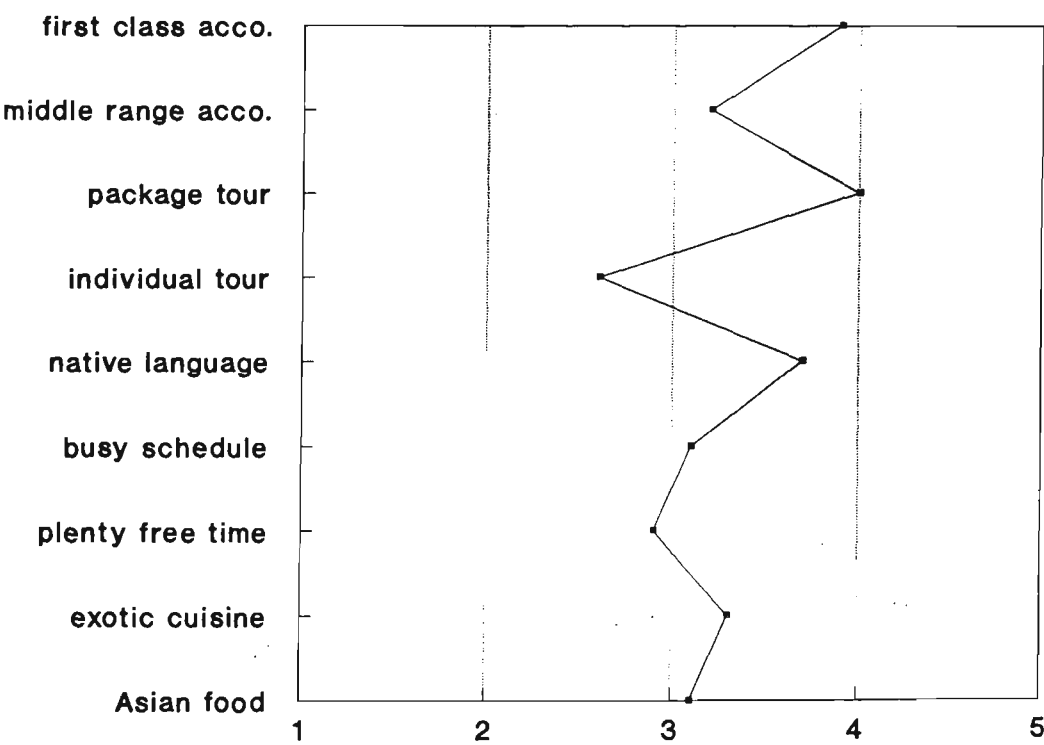


Figure 4.10 shows that the most highly rated variables are: 'escorted package tour', followed by 'first class accommodation', and 'information in native language'.

The variables rated higher than 3 are:

- 4.1 first class accommodation
- 4.2 middle range accommodation
- 4.3 escorted package tour
- 4.5 information in native language
- 4.6 busy tour schedule
- 4.8 exotic cuisine
- 4.9 Asian food

The two lowest rated variables are:

- 4.4 individually designed tour
- 4.7 plenty of time to explore or relax

(b). Average Rating by Countries

Figure 4.11

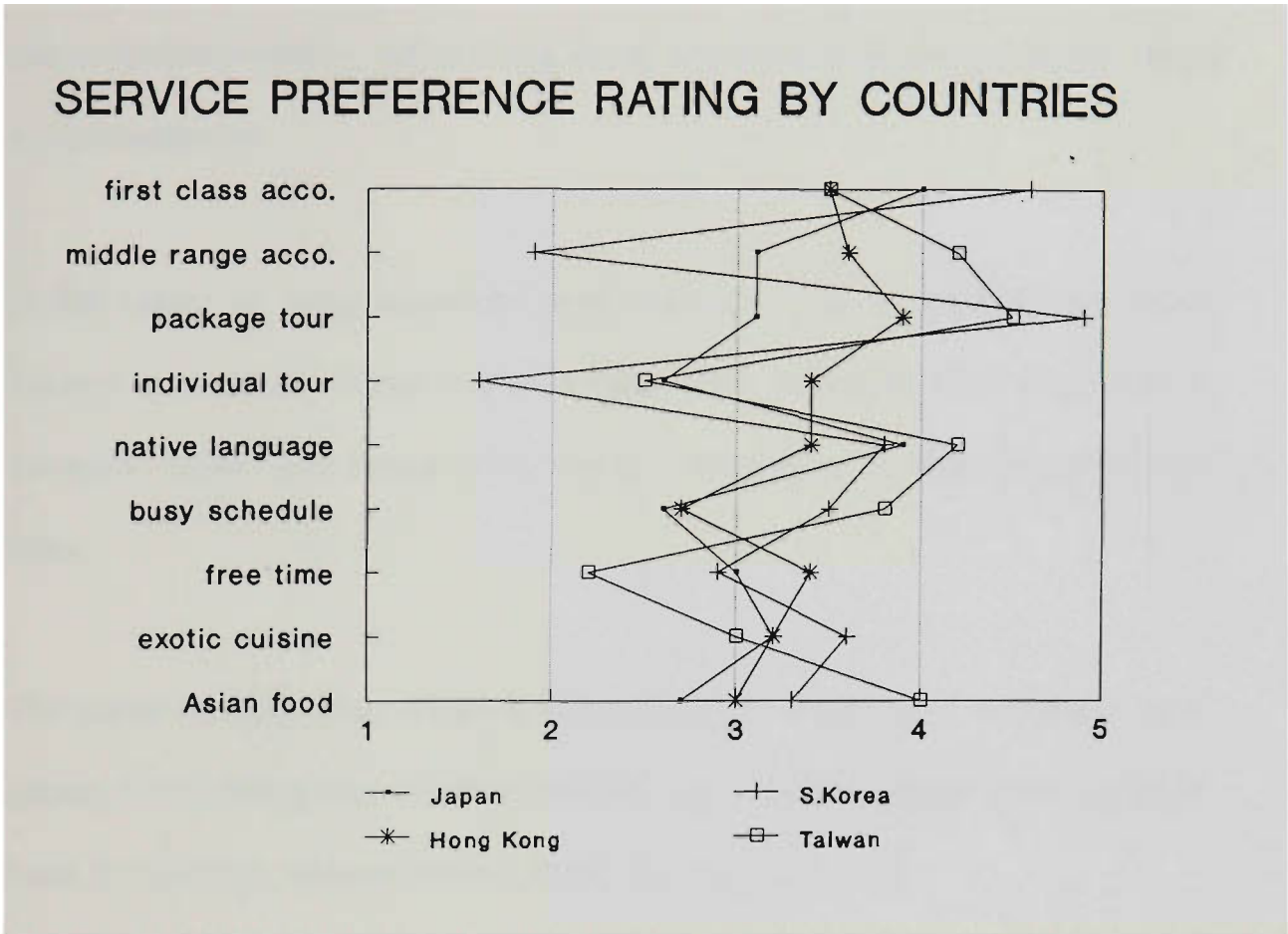


Figure 4.11 clearly shows that like the rating of question 2, two countries strongly emphasise the differences in the importance of the variables, while the other two perceive all the variables to be of similar importance.

Further, the rating difference between countries/regions in question 4 is

shown not only in the scale of the score, but also in rating patterns. On several occasions, the rating by countries is in the reverse direction.

The first is the rating of first class accommodation verses middle range accommodation. Japan and South Korea had a strong preference for first class accommodation, while Hong Kong and Taiwan preferred middle range accommodation.

In the rating of 'busy schedule' and 'plenty of time to explore and relax', Taiwan and South Korea prefer a busy tour schedule than free time. In contrast, Japan and Hong Kong like to have plenty of time to explore and relax.

The same situation also appears in the rating of exotic food and Asian food. Japan, Hong Kong and South Korea all give a slightly higher score to exotic food. In contrast, Taiwan scored Asian food as high as 4.

(c). Average Rating & Standard Deviation

Figure 4.12

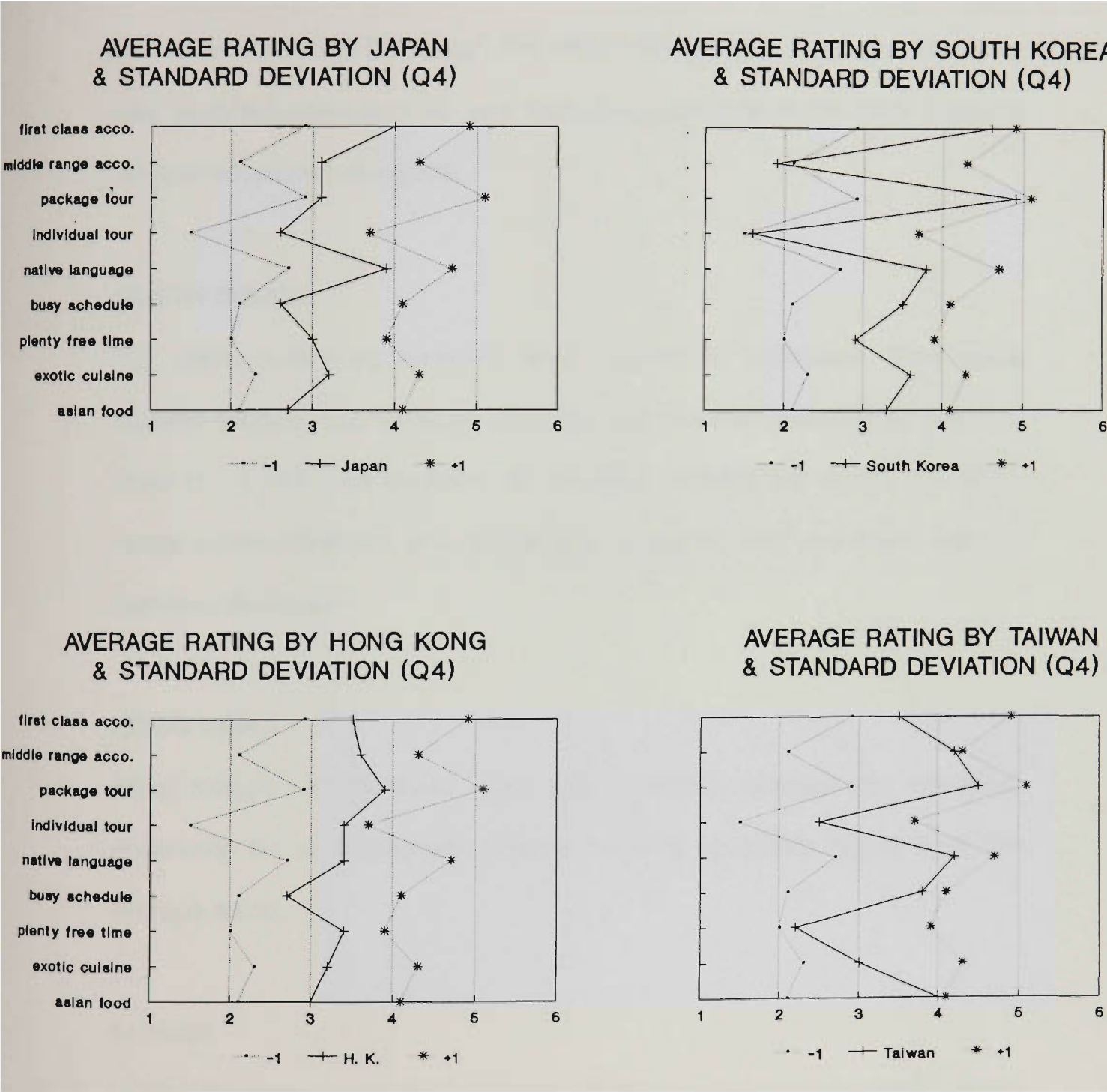


Figure 4.12 illustrates the followings:

JAPAN

The most highly rated variables are 'first class accommodation' and 'information in native language'. The other notable result is that the Japanese rate 'escorted package tour' and 'busy tour schedule' much lower than the other three countries/regions.

SOUTH KOREA

The rating difference between each variable is significant. 'First class accommodation' and 'escorted package tour' are both rated higher than 4.5, close to +1 standard deviation. At the other extreme, the ratings of 'middle range accommodation' and 'individually designed tour' are lower than -1 standard deviation.

HONG KONG

Hong Kong's ratings show very little difference between the variables. Preference for an individually designed tour is marginally higher than the average mean.

TAIWAN

Unlike the other three, Taiwan rated middle range accommodation much higher than first class accommodation, and Asian food higher than exotic cuisine. Notably, information in native language and busy tour schedule are

rated higher than the average mean.

4.4.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) The rating variation between the four Northeast Asian countries/regions regarding the preference for the type of travel services is significantly higher than the attraction preference.
- (2) The tourist industries of Japan and South Korea are very definite that their clients prefer first class accommodation. In contrast, the industries of Hong Kong and Taiwan believe that middle range accommodation is preferred by their clients.
- (3) Escorted package tours and information in native language are regarded as the most favoured travel services.
- (4) The tourist industries of South Korea and Taiwan believe that their clients prefer busy schedules when they travel overseas rather than plenty of free time. However, the perception in Hong Kong and Japan is the opposite.

- (5) All countries/regions except Taiwan, show slightly higher interest in exotic cuisine than Asian food.
- (6) The individually designed tour is not yet popular with Northeast Asian tourists.

4.5 Destination-Choice Determinants & Influences (1)

The determinants and influences of destination-choice on selecting a particular country as the tourist destination are measured by question 5, which was asked as follows:

In your opinion, the reasons that your clients choose a particular countries are:

5.1 have friends/relatives there

5.2 friendly relations between two countries

5.3 relatively shorter spatial distance

5.4 favourable climate

5.5 know someone who's been to or from that country

5.6 relatively cheaper than other countries

5.7 learned a lot about that country

5.8 has business relations with that country

5.9 familiar with the attractions in that country

5.10 country is mysterious as people know little about it

5.11 been to that country before and like it

5.12 never been to that country before

4.5.1 Central Tendency Analysis

(a). Average Mean

Figure 4.13

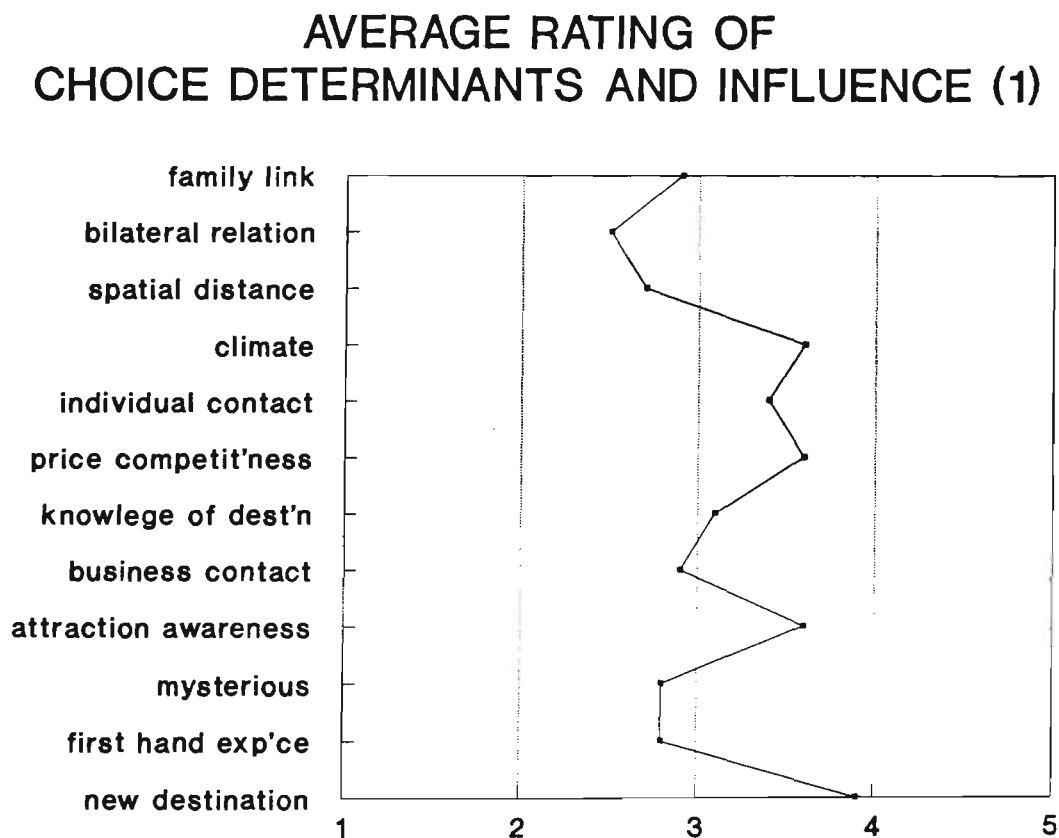


Figure 4.13 shows that the average means of the 12 variables for question 5 were very close in value. Most of the scores were between 2.7 to 3.6. The highest rated variable is 'never been to that country before' while 'friendly bilateral relationship' is the lowest.

Favourable climate, price competitiveness, and attraction awareness are also perceived as very influential factors. The variables rated higher than 3 are:

5.4 favourable climate

5.5 know someone who's been to or from that country

5.6 relatively cheaper than other countries

5.7 learned a lot about that country

5.9 familiar with the attractions in that country

5.12 never been to that country before

The two lowest rated variables are:

5.2 friendly relations between two countries

5.3 relatively shorter spatial distance

(b). Average Rating by Countries

Figure 4.14

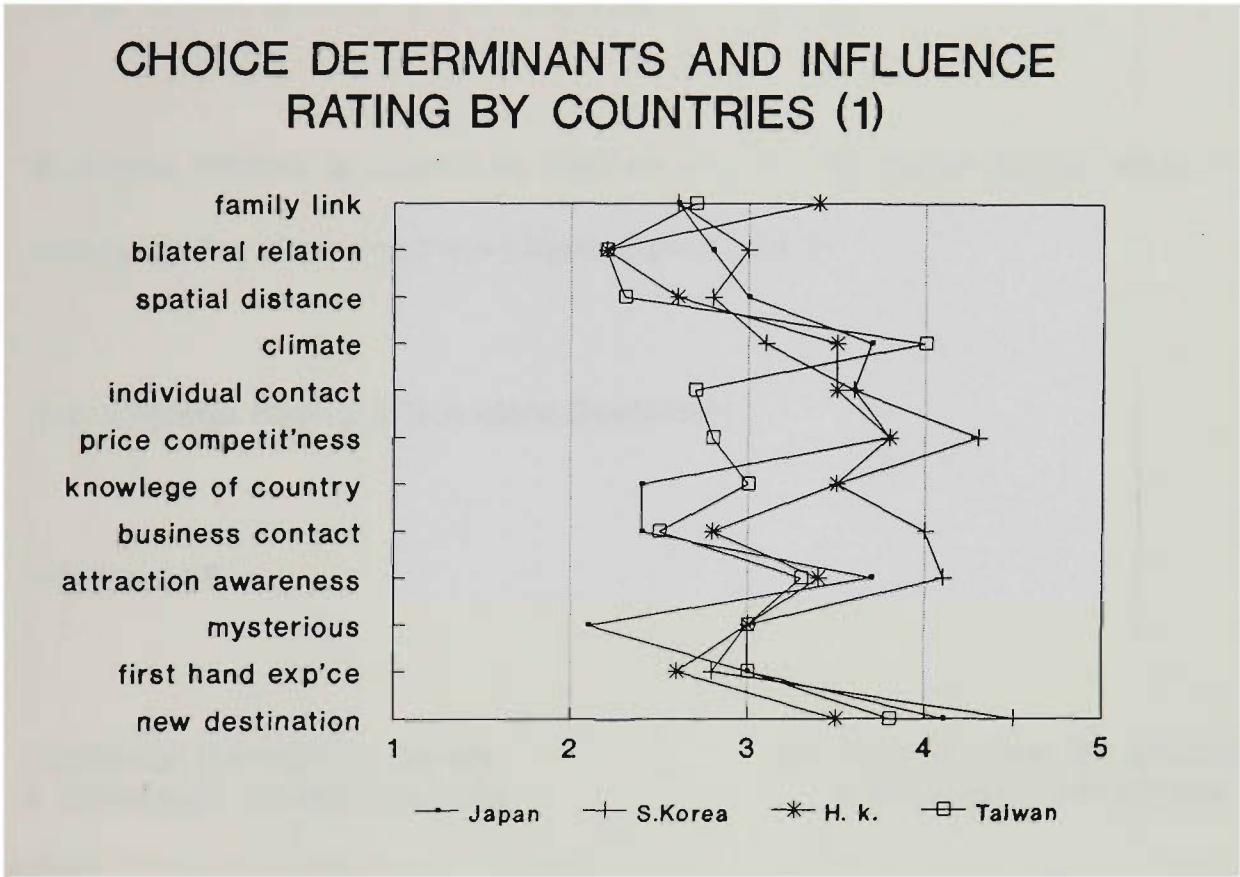


Figure 4.14 shows that the variations between countries are more apparent in the following three variables: 'have friends/relatives there', 'know someone who's been to or from that country', 'relatively cheaper than other countries' and 'business relation with that country'.

Regarding family connections and bilateral relationships, the perceptions in Hong Kong and Taiwan are different from Japan and South Korea. Taiwan and Hong Kong, especially Hong Kong, expressed the belief that family

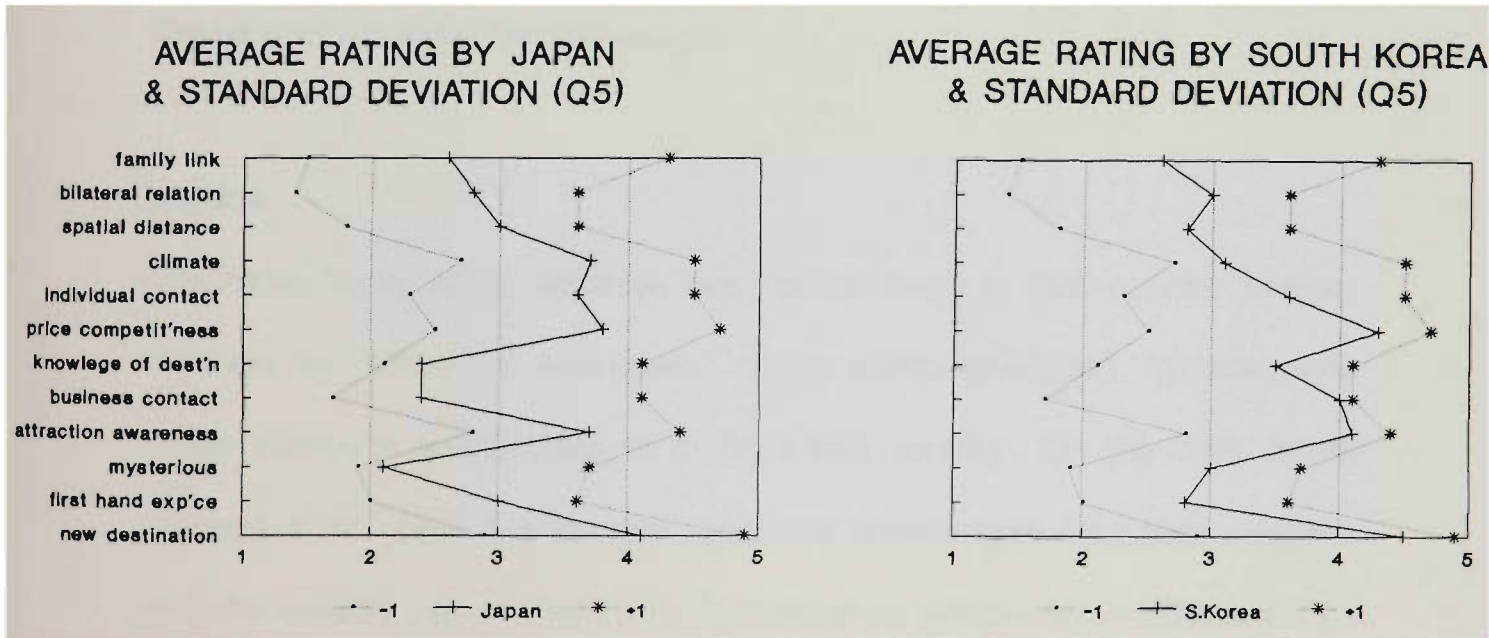
links are more important than bilateral relations.

'Knowing someone who's been to or from that country' and 'price competitiveness' are both rated highly by Japan, South Korea and Hong Kong. Taiwan is the only one which rates differently.

Business contact is scored as high as 4 points by South Korea, while the ratings of the other three were lower than 3 points.

(c). Average Rating & Standard Deviation

Figure 4.15



(Figure 4.15 cont.)

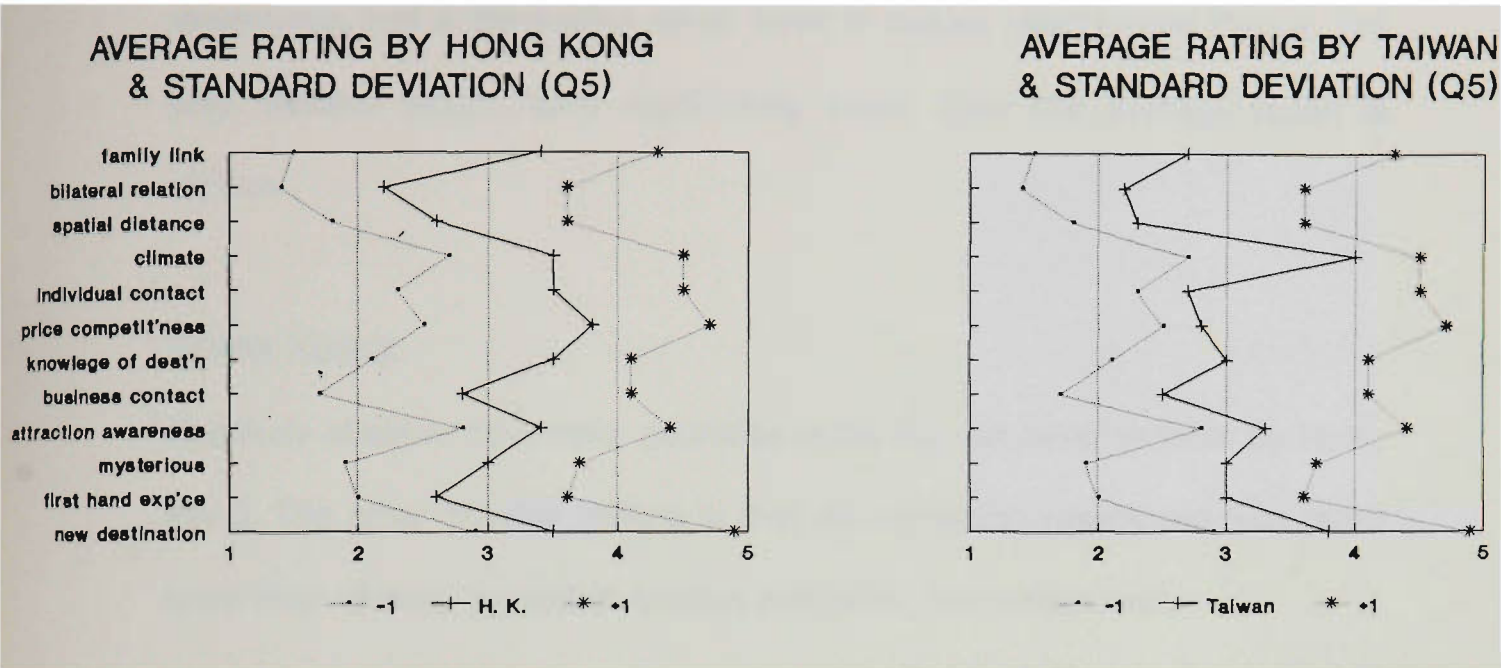


Figure 4.15 illustrates the followings:

JAPAN

The most highly rated variables are: 'never been to that country before', followed by 'attraction awareness', 'price competitiveness', 'climate', and 'know someone who's been to or from that country'. On the other hand, 'learned a lot about the country', (general knowledge), 'business relations with the country', and 'country is mysterious as people know little about it', (lack of general knowledge) were rated significantly lower than the average mean.

SOUTH KOREA

Notably, four variables - relatively cheaper, business contact, attraction awareness, and a destination never been to before rated higher than 4. The only variable which rated significantly lower than the average mean is climate.

HONG KONG

Relatively cheaper than other countries is the highest rated variable by Hong Kong. The other notable feature is that the attraction awareness was rated lower than climate, individual contact and price competitiveness.

TAIWAN

Most variables were rated lower than 3. The single most highly rated factor is climate. In contrast to Hong Kong, 'know someone who's been to or from that country', and 'relatively cheaper than other countries' were rated significantly lower than the average mean.

4.5.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) When selecting a destination country, Northeast Asian tourists, on the one hand, tend to choose a country that they have never been to

before, and on the other, one with attractions that they are familiar with.

- (2) Price competitiveness is believed to be the most important choice-determinant by all countries/regions except Taiwan.
- (3) Climate of the destination country is believed to be a very important selection criterion for the Northeast Asian tourists. The tourist industry of Taiwan regards climate as the most influential factor on destination choices.
- (4) The importance of family links, business connections and individual contacts are recognised. However, the emphasis is different for each country/region. Business connection as an influential factor on the destination choice is ranked highly by the South Korean tourist industry; whereas family links ranked highly by the Hong Kongese.
- (5) Bilateral relationships and spatial distances are regarded as the least influential factors on the destination choice.

4.6 Destination-Choice Determinants & Influences (2)

Like question 5, question 6 also aims to measure the determinants and influences of destination-choice towards selecting a particular tourist destination. The question asked was as follows:

From your knowledge and experience, the factors often influence your clients when they are selecting a long haul destination are:

6.1 cost

6.2 safety and security at the destination

*6.3 the knowledge of their travel consultants about
the destination*

6.4 friends' opinions about the destination

*6.5 whether the tour can be booked easily and
locally*

6.6 the range of products available for selection

6.7 ability to fly directly

6.8 the type of attractions at the destination

6.9 commercial advertising

4.6.1 Central Tendency Analysis

(a). Average Mean

Figure 4.16

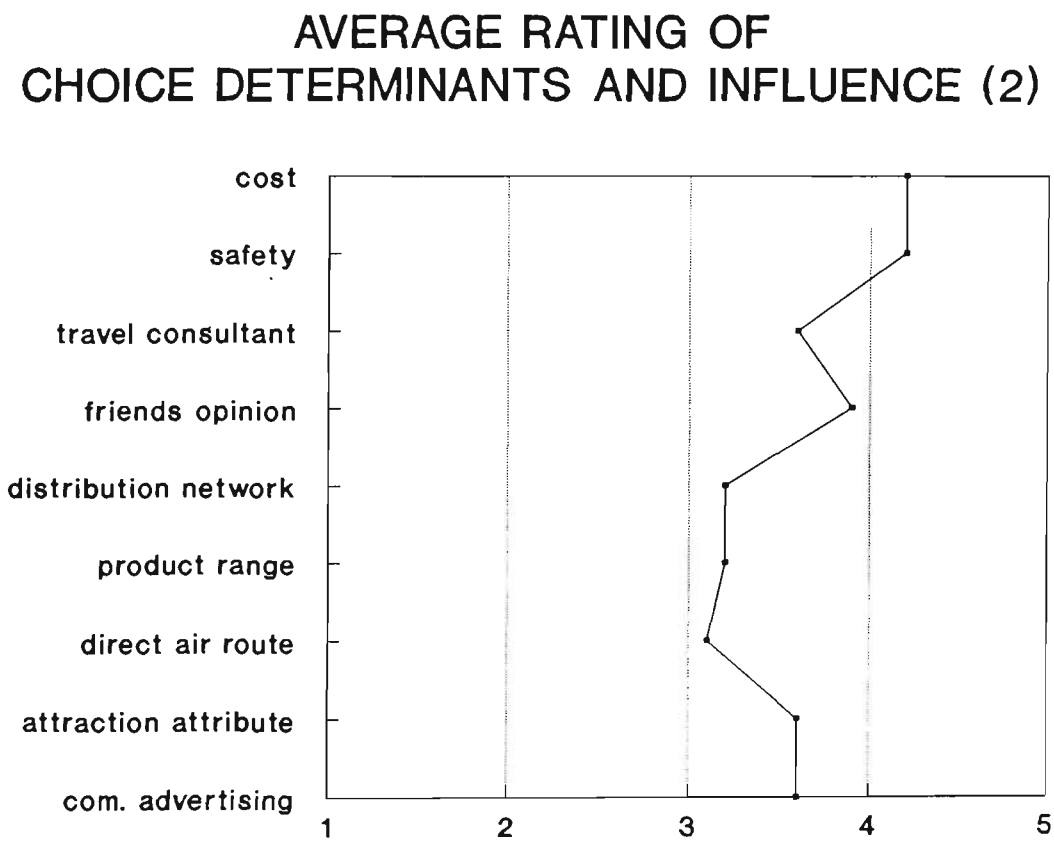


Figure 4.16 shows that all the 9 variables for question 6 were higher than 3. The top two factors were cost and safety and security at the destination. The other notable feature is that ‘friend’s opinion about the destination’ was rated higher than attraction attributes.

(b). Average Rating by Countries

Figure 4.17

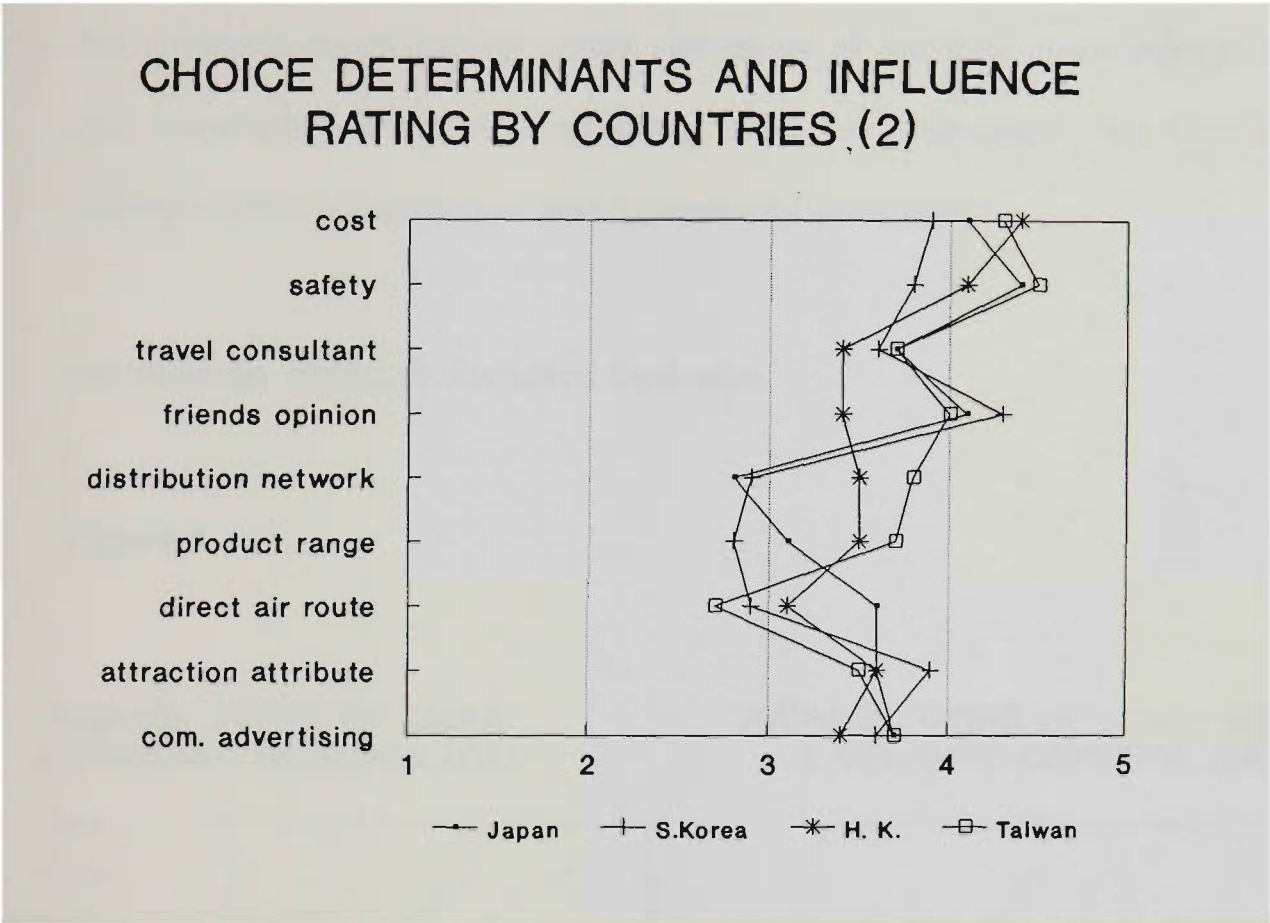


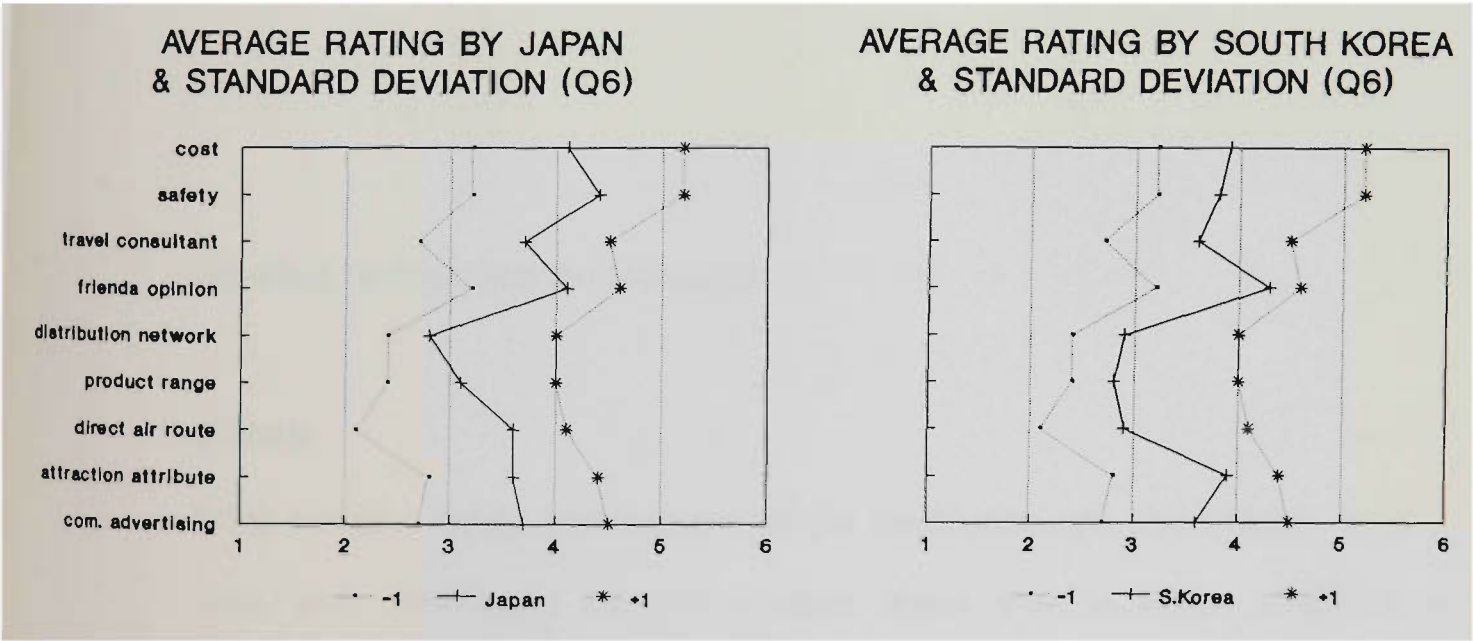
Figure 4.17 clearly shows that the rating variation between variables of question 6 is narrower than in question 5. The most apparent difference is the score of 'distribution network' and 'product range'. Japan and South Korea rated these two variables significantly lower than Hong Kong and Taiwan.

Unlike South Korea and Hong Kong, Japan and Taiwan ranked safety and security at the destination ahead of cost. The other highly rated variable is 'friend's opinion about the destination', except for Hong Kong, Japan, South Korea and Taiwan all scored it above 4.

The variables which gained similar ratings by all the four countries/regions are: 'knowledge of travel consultants about the destination', 'the type of attractions at the destination' and 'commercial advertising'.

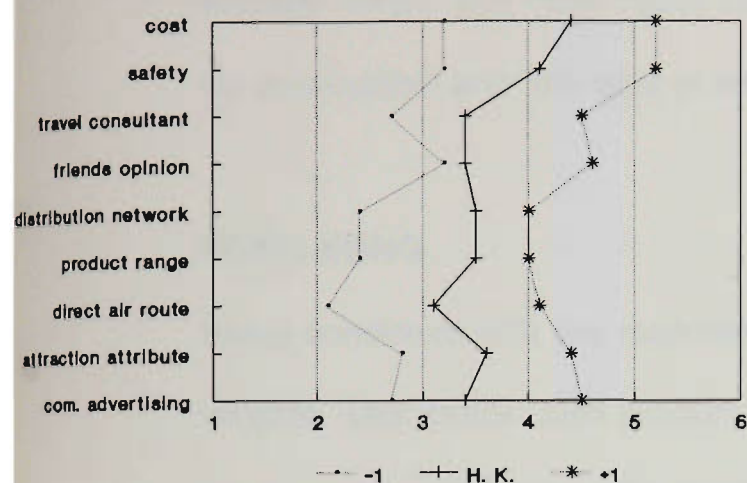
(c). Average Rating & Standard Deviation

Figure 4.18



(Figure 4.18 Cont.)

AVERAGE RATING BY HONG KONG
& STANDARD DEVIATION (Q6)



AVERAGE RATING BY TAIWAN
& STANDARD DEVIATION (Q6)

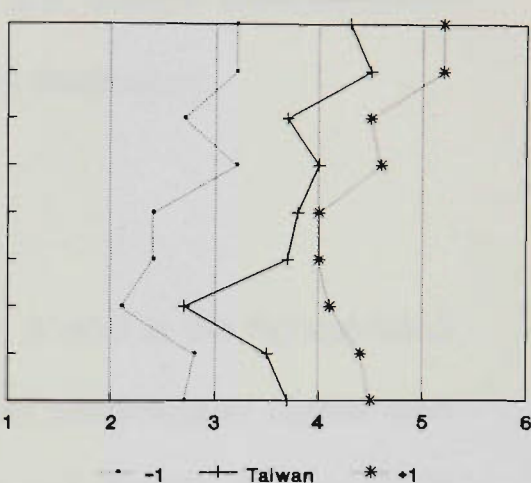


Figure 4.18 illustrates the followings:

JAPAN

Most notably, safety and security at the destination are rated higher than cost, and commercial advertising rated higher than attraction attributes. Friend's opinion about the destination is also rated slightly higher than the average mean. The lowest rated variable is whether the tour can be booked easily and locally.

SOUTH KOREA

South Korea is the only country which rated cost and safety lower than 4 points. Distribution and product range were also rated lower than the average mean. The most highly rated variables are: 'friend's opinions about the destination' and 'the type of attractions at the destination'.

HONG KONG

Being consistent with the responses to question 5, cost is the highest rated variable. Distribution and product range are also rated slightly higher than the average mean. The other notable feature is that 'friend's opinion about the destination' was rated significantly lower than the average mean.

TAIWAN

As for Japan, the rating of safety is higher than cost, and commercial advertising higher than attraction attributes. The variables that rated significantly higher than the average mean are: 'whether the tour can be booked easily and locally', and 'the range of products available for selection'.

4.6.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) Although cost and safety are both regarded as the prominent choice determinants, the tourist industry of Taiwan and Japan expressed the view that safety at the destination is more critical to their market.
- (2) Except for Hong Kong, the other three countries/regions believe that friend's opinion about the destination is more influential than the attraction attributes at the destination.
- (3) The ratings for both question 5 and question 6, indicate that Hong Kong is the most price-sensitive market of the four.
- (4) Knowledge of travel consultants about the destination and commercial advertising are perceived to be of an equal importance by all four countries/regions.
- (5) In general, direct air-route, better distribution and wider product range are believed not to have great impact on destination choices. However, compared with Japan and South Korea, Taiwan and Hong Kong showed a higher demand for a convenient booking network and a wider product range.

4.7 Barriers to Selection of Australia As a

Travel Destination

The possible barriers to selection of Australia as a travel destination are measured by question 7, which was asked as follows:

In your opinion, the barriers for people in your country against selecting Australia as their travel destination are:

7.1 people know very little about Australia

7.2 Australia is not as popular as the USA, or

Europe

7.3 hard to get the entry visa

7.4 lack of well known attractions

7.5 limited flight-carrying capacity

7.6 low flight frequency

7.7 costs more than an equivalent tour to the USA or Europe

7.8 travel consultants at retail agencies are not familiar with Australian

tourist products

7.9 narrow product range in the market place

7.10 limited numbers of agents handle Australia

7.11 the image of Australia does not suit people's taste

7.12 travel services are not as good as in the USA or Europe

7.13 language difficulties

4.7.1 Central Tendency Analysis

(a). Average Mean

Figure 4.19

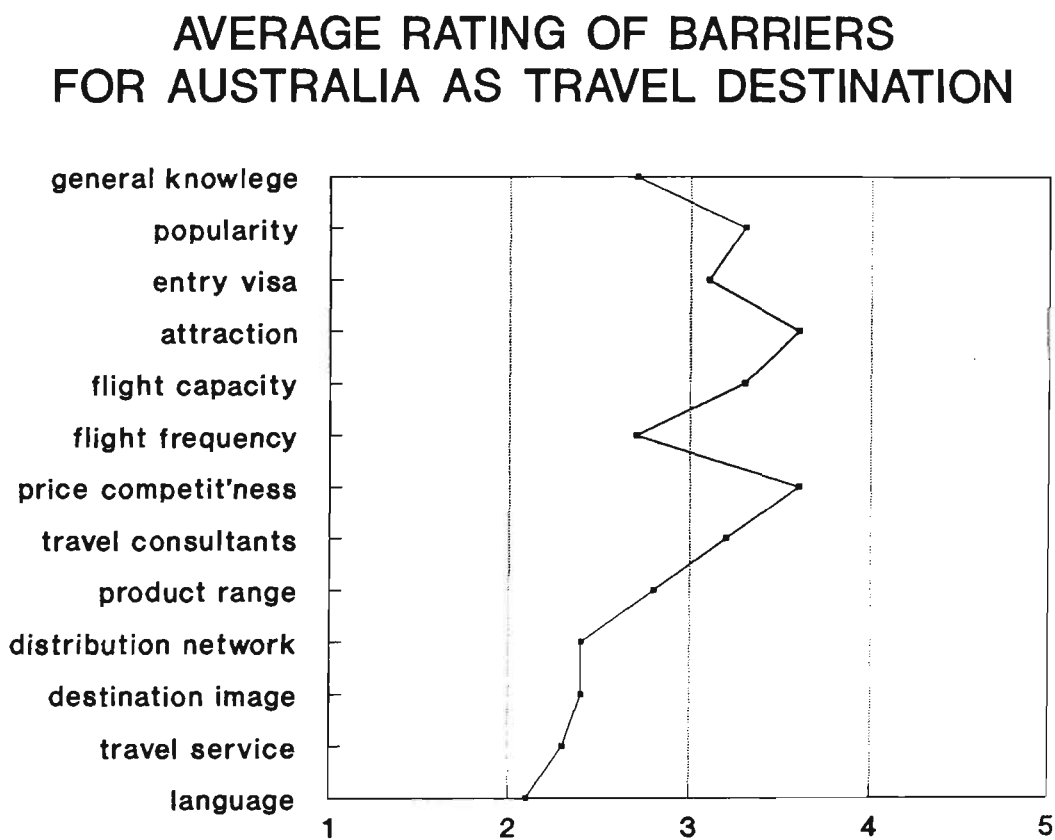


Figure 4.19 shows that the most highly rated variables are 'lack of well-known attractions', followed by 'cost more than an equivalent tour to USA or Europe'. Language, quality of travel service and destination image are the lowest rated variables.

Australia is 'not as popular as the U.S.A or Europe', 'travel consultants at retail agencies are not familiar with Australian tourist products', and 'limited flight-carrying capacity' are also regarded as major barriers to the selection of Australia as a travel destination.

The variables rated higher than 3 are:

7.2 Australia is not as popular as USA or Europe

7.3 hard to get an entry visa

7.4 lack of well known attractions

7.5 limited flight-carrying capacity

7.7 cost more than an equivalent tour to USA or Europe

7.8 travel consultants at retail agencies are not familiar with Australian
tourist products

The two lowest rated variables are:

7.12 travel services are not as good as in USA or Europe

7.13 language difficulties

(b). Average Rating by Countries

Figure 4.20

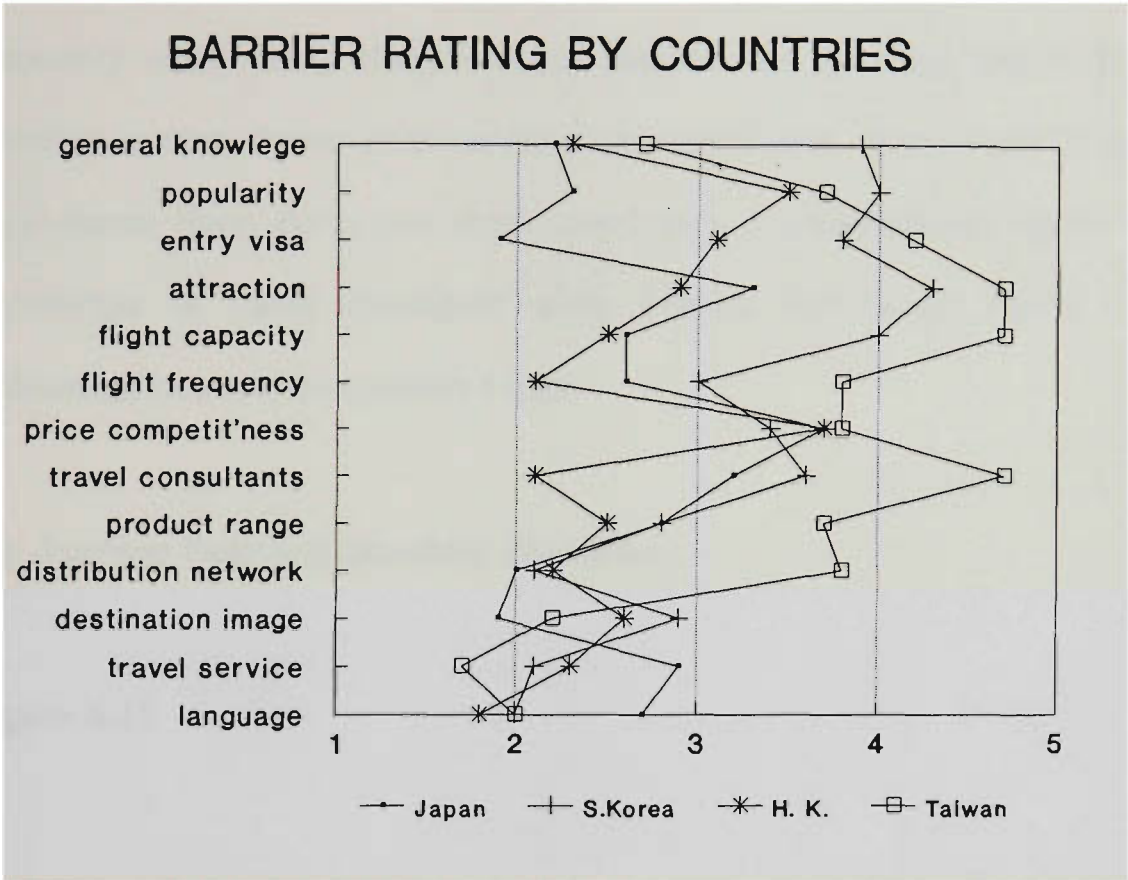


Figure 4.20 exhibits a considerable variation in rating between countries/regions. In most cases, the ratings of Taiwan and South Korea are higher than Japan and Hong Kong.

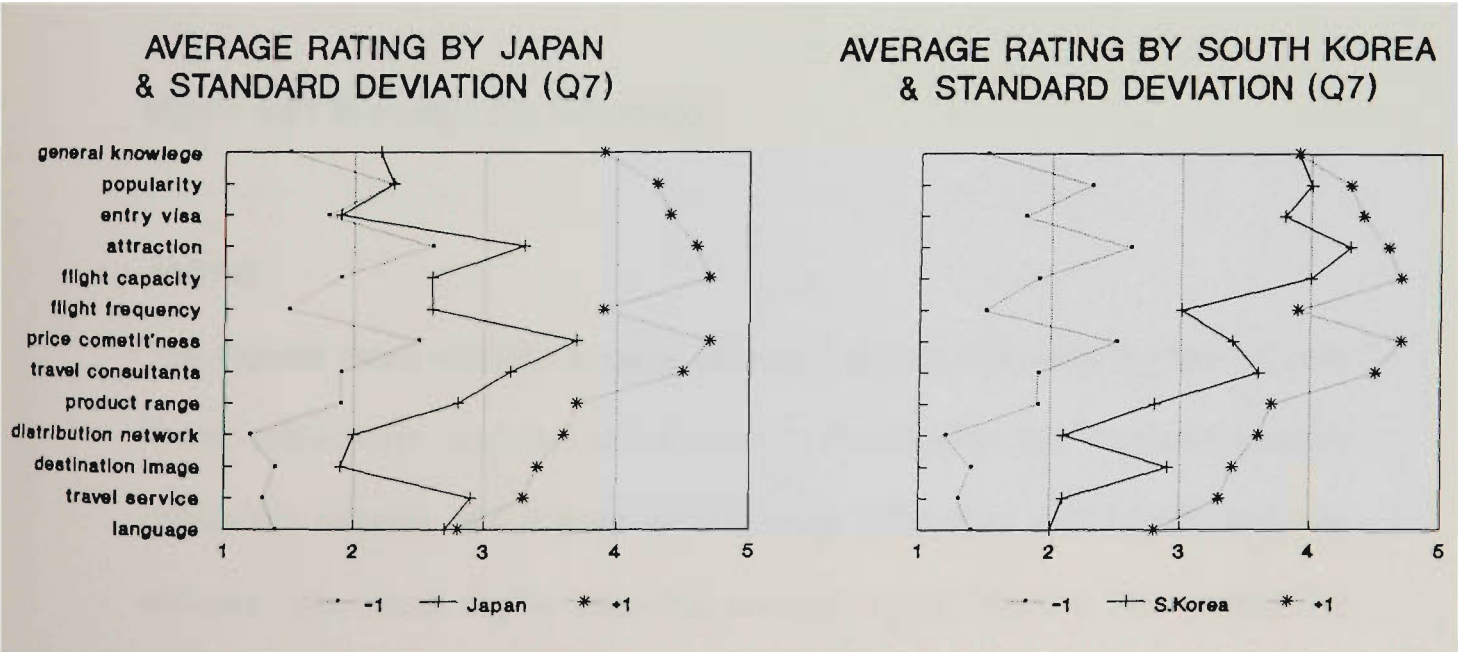
The variation is most apparent in the perception of general knowledge about Australia, (South Korea rated higher than the others), popularity, (Japan rated lower than the other), and the knowledge of travel consultants, (Hong

Kong and Taiwan scored in the reverse order). The only variable which gained a similar rating from all the four countries/regions is price competitiveness.

Japan, Taiwan and South Korea all rated attraction awareness higher than popularity while Hong Kong's rating showed the opposite trend. Similar variation is also shown in price competitiveness and knowledge of travel consultants; Hong Kong and Japan rated price competitiveness higher than knowledge of travel consultant while Taiwan and South Korea rated knowledge of travel consultants higher.

(c). Average Rating & Standard Deviation

Figure 4.21



(Figure 4.21 cont.)

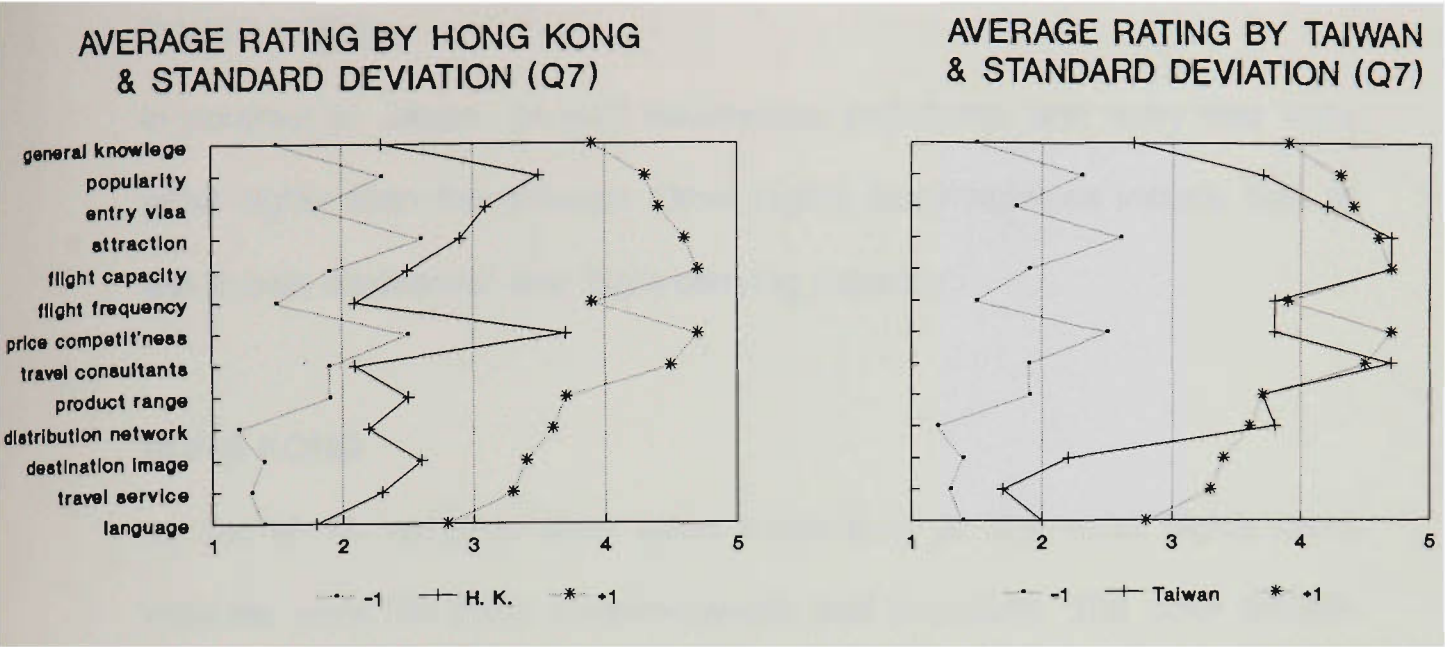


Figure 4.21 illustrates the followings:

JAPAN

The highest rated variable is price competitiveness, followed by 'lack of well-known attractions' and 'travel consultants not familiar with Australian tourist products'. Notably, the ratings of language difficulties and quality of travel services are much higher than the average mean. On the other hand, the ratings of general knowledge, popularity, and entry visa are significantly

lower.

SOUTH KOREA

In contrast to Japan, general knowledge, popularity, and entry visa were rated higher than the average. Other highly rated variables include 'lack of well-known attractions' and 'flight-carrying capacity'.

HONG KONG

10 out of 13 variables were rated lower than 3. The most highly rated variables were the price competitiveness and popularity. The other notable feature is that the ratings of 'lack of well known attraction', 'flight-carrying capacity and frequency' and 'knowledge of travel consultants' are significantly lower than the average mean.

TAIWAN

Taiwan is the only country rating four variables higher than 4. 'Lack of well known attractions', 'flight-carrying capacity', and 'knowledge of travel consultants' scored as high as 4.8. In addition, product range, distribution network, and entry visa were concerns for the Taiwanese .

4.7.2 Summary of Findings

From the above analysis, the main findings are summarised as follows:

- (1) Lack of well known attractions and cost being more than an equivalent tour to the USA or Europe are perceived to be the major barriers against people selecting Australia as their destination.
- (2) More problems and dissatisfactions have been expressed by the tourist industry of Taiwan and South Korea. In most cases, the rating of Taiwan and South Korea is higher than of Hong Kong and Japan.
- (3) The tourist industry of all countries/regions except Japan expressed the view that Australia is not as popular as the USA or Europe.
- (4) For Taiwan and South Korea, limited flight-carrying capacity is another major barrier.
- (5) Travel consultants not familiar with Australian tourist products is perceived as a serious constraint. Taiwan and South Korea even rated this factor higher than price competitiveness.

- (6) That only limited numbers of agents handle Australia is seen as another constraint factor in the tourist market in Taiwan.
- (7) The tourist industry in Northeast Asia shows a considerable confidence regarding the quality of travel services in Australia and the image of Australia as a travel destination. Language is not seen as a barrier for people selecting Australia as their travel destination.
- (8) The tourist industry of Japan demands better services, including language service, while Taiwan demands a wider product range.

CHAPTER 5 -

HYPOTHESIS TESTING

Chapter 4 has explicitly demonstrated the central tendency of the responses to the questionnaire, and the differences and/or similarities between the countries/regions in this regard. The findings from this analysis goes far beyond the original five hypotheses. However, due to the limitations of time and the scope of this study, it is not possible to test all the findings from the central tendency analysis. The hypothesis test in this chapter will be conducted only on the variables which are closely related to the original five hypotheses.

The other limitation which is inherent in the nature of the data is the small sample size. Although, identification of the differences and similarities of the countries/regions is one of the main objectives of this study, the number of responses from each country/region is too small to conduct tests by countries.

5.1 Introduction

Hypothesis testing is used to determine the probability of the sample means of the selected variables being significantly different from the expected average.

In the following discussion, the value of the variable to be tested will be referred to as the "sample mean", and the value of the grouped alternative variables as the "population mean".

The primary task of the analysis is to distinguish whether the difference between the sample mean and the population mean is indicative of a real as opposed to chance fluctuation. The decision-rule is based upon a 95% significant level.

There are two common methods of testing hypotheses. One is the z-test, the other is the t-test. The z-test requires the knowledge of the characteristics of a population, particularly in respect to the standard deviation. As the standard deviation of the population mean is not available in this case and the sample size is small, the t-test has been selected. An assumption is made that the data is normally distributed. There is no reason to assume that the population from which the data is sampled is other than approximate of a normal distribution and the individual samples show no marked skewness, with the exception of variable 3.1 used in Hypothesis test H2.6. The average mean, median and standard deviation are attached in Appendix E.

Where: \bar{X} = the sample mean

$$\bar{X} = \frac{\sum x}{n}$$

u = the population mean

s = the sample standard deviation

$$S_{n-1} = \sqrt{\frac{\Sigma(x - \bar{x})^2}{n - 1}}$$

n = the sample size

Ho = the null hypothesis

H1 = the alternative hypothesis

T obtained (probability level) is calculated as:

$$T \text{ obtained} = \frac{\bar{x} - \mu}{s / \sqrt{n}}$$

In the case of this study, the following information applies in all instances:

* sample size (n) = 34

* degree of freedom (n-1) = 33

* T critical value (.05) = 1.692

(one tail positive test)

* The skewness that used to test for normality =

$$Skewness = \frac{3 (\bar{x} - md)}{s}$$

Ho : no difference between sample mean or population mean, or the mple

mean is less than population mean.

H1 : the sample mean is higher than population mean.

If T-obtained value exceeds T-critical value, the null hypothesis (Ho) is rejected, and the alternative hypothesis (H1) is accepted with a 95% significance level.

5.2 Interpretation of the Testing Results

To interpret the testing results, it is necessary to clarify and review the logical relationship between the hypothesis, (H1, H2, and so on), and the null hypotheses (Ho). As already discussed, the five hypotheses were derived from the observation/analysis of the existing literature and statistics. To further confirm these hypotheses, the questionnaire was designed, which purposely presented the related factors together with the other factors to the respondents for their assessment. This assessment is explained by the rating, in the scale of 1 minimum to 5 maximum. If the factor, (also referred to as the variable), relating to the hypothesis was rated higher than the other factors/variables, the hypothesis is thus approved or accepted as true at least 95% of the time.

Although the rating of each factor is displayed in the central tendency analysis, it is uncertain whether the value is real or due to random

fluctuation. The null hypothesis and the alternative hypothesis were developed for the t-test specifically to test this uncertainty, to a probability level of 95%.

For example, the first hypothetical assumption (H1) states that limited flight-carrying capacity is the major constraint which will suppress outbound tourist demand in the next ten years. To test this statement, flight-carrying capacity together with the other 10 factors was presented to the respondents, (the major tour companies in Northeast Asia), for their assessment. The central tendency of the rating by the respondents showed that flight-carrying capacity contains a higher value than the other factors. To verify whether the value shown in the central tendency analysis is real or due to random fluctuation, null hypothesis was developed for t-test. The null hypothesis states that the value of flight-carrying capacity is of the same or less value to the value of the total 10 factors. This statement was rejected by the t-test; therefore the higher value of the flight-carrying capacity is confirmed to be correct 95% of the time. The interpretation of this result is that the hypothesis 1 (H1) has been accepted for the tourist industry in Northeast Asia.

All the 5 hypothesis were tested in the same manner; hence the same interpretation applies to all the testing results. If the null hypothesis has been rejected, the direct related hypothesis is accepted at 95% statistical significance assuming that the sample data is normally distributed.

5.3 Hypothesis Testing Procedure

The testing procedure adopted includes only the hypotheses, null hypotheses (H_0) and alternative hypotheses (H_1), and the calculation of t obtained. The calculation of sample means and population means will not be displayed. The details of these two values can be found in Appendix E.

Further, in order to avoid confusion, the reasoning or the background to each hypothesis will be briefly re-stated.

5.3.1 Hypothesis 1

As discussed in Chapter 2 (literature review), the confidence of the general economic and political environment in outbound tourism growth from Northeast Asia is overwhelming among industry observers. At the same time, fears that the limited flight-carrying capacity, which may suppress the demand, have also been expressed. Based on these findings, hypothesis 1 is as:

*In the next ten years, the major constraint on
further increases in outbound tourism demand from*

This hypothesis has been strongly supported by the descriptive analysis of the survey results. (see Chapter 4, 4.2).

T-test

where: \bar{x} = average mean of flight-carrying capacity

u = average mean of the 10 variables in question 1

Ho : the average mean of flight-carrying capacity is equal or less than the average mean of the 10 variables in Question 1

H1 : the average mean of flight-carrying capacity is higher than the average mean of the 10 variables in Question 1

$$T \text{ obtained} = \frac{3.2 - 2.5}{1.314/\sqrt{34}} = 3.111$$

3.111 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The t-test confirmed that the higher average mean of flight-carrying

capacity (than the population mean) is not due to the chance variation 95% of the time assuming that the sample data is normally distributed.

5.3.2 Hypothesis 2

Hypothesis 2 attempts to identify the personal element of outbound tourism demand from Northeast Asia. Issues concerned include travel motivation, preference for types of attractions, and preference for types of travel-related services. Although existing studies are limited, there is evidence to suggest that Northeast Asian tourists like sightseeing, and in most cases, they included the major cities and attractions of the country in their tours. Low penetration of the host society is the other characteristic noticed by the industry observers. Based on these findings, hypothesis 2 is as follows:

*H2) The main characteristics of Northeast Asian
outbound tourism demand are:*

*H2.a. travel needs revolve around the desire to see
well-known attractions*

*H2.b. related to H2.a, the degree of popularity of
an attraction is more important than attraction
attributes*

H2.c. regarding types of travel-related services, the tourist prefers the kind of services which will create a familiar micro-environment as at home.

These hypotheses (2.a, 2.b, 2.c) have all been supported by the descriptive analysis of the survey results (see Chapter 4, 4.3, 4.4 4.5).

T-test H2.a

where: \bar{x} = average mean of 'to see famous attractions'

u = average mean of the 12 variables in question 2

H_0 : the average mean of 'to see famous attractions' is equal or less than the average mean of the 12 variables in Question 2

H_1 : the average mean of 'to see famous attractions' is higher than the average mean of the 12 variables in Question 2

$$T \text{ obtained} = \frac{4.1 - 3}{.983/\sqrt{34}} = 6.525$$

6.525 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The T-test confirmed that the higher value of 'to see famous attractions'

is not due to the chance variation 95% of the time assuming that the sample data is normally distributed.

T-test H2.b

where: \bar{x} = average mean of places which are very well known

u = average mean of the 11 variables in question 3

Ho : the average mean of places which are very well known is equal to or less than the average mean of the 11 variables in Question 3

H1 : the average mean of places which are very well known is higher than the average mean of the 11 variables in Question 3

$$T \text{ obtained} = \frac{4.4 - 3.3}{.884/\sqrt{34}} = 7.256$$

7.256 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The testing result supported hypothesis 2.b at 95% statistical significance assuming that the sample data is normally distributed. This assumption is not supported with a tendency to negative skew being existent in variable 3.1. The effect of the negative skew is to reduce the t-obtained value down to 7.256 from a higher value since t-obtained at

7.256 is still significant and given the small sample size, transformation of the data to overcome the skew has not been done.

T-test H2.c

Two variables in Question 4 are related to hypothesis 2.c, and therefore tested separately against the population mean.

where: Variable 1

\bar{x} = average mean of escorted package tour

Variable 2

\bar{x} = average mean of information in native language

u = average mean of the 9 variables in question 4

Ho : the average means of escorted package tour and information in native language are equal to or less than the average mean of the 9 variables in question 4

H1 : the average means of escorted package tour and information in native language are higher than the average mean of the 9 variables in Question 4

Variable 1

$$T \text{ obtained} = \frac{4 - 3.3}{1.141/\sqrt{34}} = 3.577$$

3.577 (T obtained) exceeded 1.692 (T critical)

Variable 2

$$T \text{ obtained} = \frac{3.7 - 3.3}{1.024/\sqrt{34}} = 2.278$$

2.278 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted, confirming that the higher value of the tested variables is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

5.3.3 Hypothesis 3

The existing statistics demonstrate that the Northeast Asian outbound tourist-flow constitutes a stable pattern. Some recent studies have evidenced the existence of the disequilibrium between the preferred destination and the actual destination from the region. The countries which have hosted a higher proportion of the actual outbound traffic, although not regarded as the most preferred destination, happen to have close bilateral relationships with the origin countries, for instance, U.S.A to Japan, U.K to Hong Kong, Japan to South Korea, Hong Kong and U.S.A. to Taiwan. Based on these findings, the hypothesis 3 is as follows:

H3) The choice of a destination country is largely determined by the presence of the bilateral connectivity, including personal connections between the two countries.

The descriptive analysis of the survey results (refer to Chapter 4, 4.6) recognised the importance of bilateral connectivity in destination choices. However, it is not seen as the most influential factor.

T-test

4 out of 12 variables in Question 5 are related to hypothesis 3, and tested separately against the average population mean.

where: Variable 1

\tilde{x} = average mean of family link

Variable 2

\tilde{x} = average mean of business connection

Variable 3

\tilde{x} = average mean of individual contact

Variable 4

\tilde{x} = average mean of bilateral relationship

u = average mean of the 12 variables in question 5

H_0 : the average means of family, business, individual, and bilateral connectivities are equal to or less than the average mean of the 12

variables in Question 5

H1 : the average mean of family, business, individual, and bilateral connectivities are higher than the average mean of the 12 variables in Question 5

Variable 1

$$T \text{ obtained} = \frac{2.9 - 3.1}{1.374/\sqrt{34}} = -0.848$$

-0.848 (T obtained) less than 1.692 (T critical)

Variable 2

$$T \text{ obtained} = \frac{2.5 - 3.1}{1.161/\sqrt{34}} = -3.013$$

-3.013 (T obtained) less than 1.692 (T critical)

Variable 3

$$T \text{ obtained} = \frac{3.4 - 3.1}{1.101/\sqrt{34}} = 1.589$$

1.589 (T obtained) less than 1.692 (T critical)

Variable 4

$$T \text{ obtained} = \frac{2.9 - 3.1}{1.229/\sqrt{34}} = -0.949$$

-0.949 (T obtained) less than 1.692 (T critical)

Null hypothesis is accepted.

The results indicate that these variables are not likely to be the most important choice determinants when selecting a destination country assuming that the data sample is normally distributed.

5.3.4 Hypothesis 4

Most recent consumer-behaviour studies accept that a travel destination is selected on the basis of the tourist's perception of its ability to satisfy his/her needs, whereas perception of other places and cultures are formed mostly by external influences. Based on this theory, hypothesis 4 is as follows:

H4) The most influential factors on destination choices are:

*H4.a. knowledge of their travel consultants about the
destination*

H4.b. their friends' opinions about the destination

H4.c. and commercial advertising of the destination

These hypotheses (4.a, 4.b, 4.c) have all been supported by the descriptive analysis of the survey results (see Chapter 4, 4.7).

T-test H4.a

where: \bar{x} = average mean of travel consultant's knowledge

u = average mean of the 9 variables in question 6

Ho : the average mean of travel consultant's knowledge of the destination is equal to or less than the average mean of the 9 variables in Question 6

H1 : the average mean of travel consultant's knowledge of the destination is higher than the average mean of the 9 variables in Question 6

$$T \text{ obtained} = \frac{3.6 - 3.2}{.960/\sqrt{34}} = 2.430$$

2.430 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected, hence the alternative hypothesis is accepted.

The T-test has confirmed that the higher rating of the knowledge of travel

consultants about the destination is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

T-test H4.b

where: \bar{x} = average mean of friends' opinions about the destination
u = average mean of the 9 variables in question 6

Ho : the average mean of friends' opinions about the destination is equal to or less than the average mean of the 9 variables in Question 6

H1 : the average mean of friends' opinions about the destination is higher than the average mean of the 9 variables in Question 6

$$T \text{ obtained} = \frac{3.9 - 3.2}{.684/\sqrt{34}} = 5.967$$

5.967 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The testing result confirmed that the higher value of friends' opinions is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

T-test H4.c

where: \bar{x} = average mean of commercial advertising

u = average mean of the 9 variables in question 6

Ho : the average means of commercial advertising of the destination is equal to or less than the average mean of the 9 variables in Question 6

H1 : the average mean of commercial advertising of the destination is higher than the average mean of the 9 variables in Question 6

$$T \text{ obtained} = \frac{3.6 - 3.2}{.927/\sqrt{34}} = 2.516$$

2.516 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The T-Test result confirmed that the higher value of the tested variables is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

5.3.5 Hypothesis 5

Visitor arrivals from Northeast Asia to Australia have increased rapidly in recent years. However, in terms of market share, Australia at present constitutes a very small proportion. Hypothesis 5 is based on the

assumption that the previous 4 hypotheses are accepted and also apply to the demand for Australia as a tourist destination.

H5) The major barriers for people in Northeast Asia selecting Australia as their travel destination are:

H5.a. lack of well-known attractions

H5.b. travel consultants at retail agencies are not familiar with Australian tourist products

H5.c. limited flight-carrying capacity

The findings from the descriptive analysis of the survey results supported hypotheses 5.a, 5.b, 5.c (see Chapter 4, 4.8).

T-test H5.a

where: \tilde{x} = average mean of lack of well-known attractions

u = average mean of the 13 variables in question 7

Ho : the average mean of lack of well-known attraction is equal to or less than the average mean of the 13 variables in Question 7

H1 : the average mean of lack of well-know attractions is higher than the

average mean of the 13 variables in Question 7

$$T \text{ obtained} = \frac{3.6 - 2.8}{1.041/\sqrt{34}} = 4.481$$

4.481 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The testing result confirmed that the higher rating of lack of well-known attractions is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

T-test H5.b

where: \tilde{x} = average mean of travel consultants at retail agencies are
not familiar with Australian tourist products
 u = average mean of the 13 variables in question 7

Ho : the average mean of travel consultants' knowledge of Australian products is equal to or less than the average mean of the 13 variables in Question 7

H1 : the average mean of travel consultants' knowledge of Australian

products is higher than the average mean of the 13 variables in Question 7

$$T \text{ obtained} = \frac{3.2 - 2.8}{1.321/\sqrt{34}} = 1.766$$

1.766 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The testing result confirmed that the higher rating of travel consultants' knowledge of Australian products is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

T-test H5.c

where: \bar{x} = average mean of flight-carrying capacity

\bar{u} = average mean of the 13 variables in question 7

Ho : the average mean of flight-carrying capacity is equal to or less than the average mean of the 13 variables in Question 7

H1 : the average mean of flight-carrying capacity is higher than the average mean of the 13 variables in Question 7

$$T \text{ obtained} = \frac{3.3 - 2.8}{1.209/\sqrt{34}} = 2.117$$

2.117 (T obtained) exceeded 1.692 (T critical)

Null hypothesis is rejected; hence the alternative hypothesis is accepted.

The testing result confirmed that the higher rating of flight-carrying capacity is not due to chance variation 95% of the time assuming that the data sample is normally distributed.

The summary of the testing results are as follows: hypotheses 1, 2, 4 and 5 are approved or accepted at 95% of the time, whilst hypothesis 3 is rejected. Further discussion of these results is presented in the next chapter.

CHAPTER 6 -

DISCUSSION

The discussion in this chapter proceeds under the headings of four elements developed as the framework for this study. The issues concerned in the discussion are the results and the accountability of the present survey as well as the existing literature and statistics.

The objectives of this discussion are to rationalise the survey findings and to conclude or describe each demand element in Northeast Asia. The means of doing so is by gathering the evidence from either the theory/existing study or the results of the present survey, thus highlighting the uniqueness of the Northeast Asian outbound tourist market. The final focus is to identify the consequences to Australia as a travel destination.

6.1 Basic Element

The investigation of the basic element of outbound tourism demand from Northeast Asia was under the theoretical guidance that the economic development, government regulations, social environment and tourism infrastructure often limits or contributes to the actual tourism demand. The results of the present survey indicate that the general environment

for outbound tourism growth in Northeast Asia will be continuously improving through the 90's, meanwhile, the limited flight-carrying capacity may suppress the actual outbound tourist flow, this result coincides with the findings from the existing studies.

Although there are common grounds shared by the four Northeast Asian countries/regions, the perception of the major constraint against the further increase of outbound tourism is significantly different. The tourist industry in Japan believes that terrorism will be the most important factor affecting outbound tourism in their country. This may have been influenced by the recent memory of the Gulf Crisis. Nevertheless, the sensitivity of the Japanese tourist market to the overseas unrest is highlighted.

Korean culture has traditionally held a high value on austerity and frugal lifestyle. Recently, there has been a lot of criticism about overseas travel as squandering precious foreign exchange and endangering the national balance of payments, in the Korean media. The survey results strongly reflected this criticism which implies that the international trade deficit, (if it happens), will place a considerable negative impact on outbound tourism.

The same inheritance of the Chinese cultural background in both Hong Kong and Taiwan does not represent a similar irritability to the external

factors upon the outbound tourist demand. Racism was regarded as the most negative factor to the increase of outbound tourism demand by the tourist industry in Taiwan, whereas the industry in Hong Kong did not perceive it as a constraint. What fears the tourist industry in Hong Kong is the possible slow down of the GDP growth rate in the next ten years.

To travel overseas in Northeast Asia is not simply a leisure activity. It is often associated with the desire of learning and experiencing different cultures and the need for re-enforcing social status, (this point will be further discussed later). Hence, the development of domestic tourism is not perceived to be in competition with international tourism.

6.2 Personal Element

The investigation of the personal element of outbound tourism demand from Northeast Asia was concentrated on identifying the main travel motivations and the individual preference of types of attractions and travel-related services. The design of the questionnaire deliberately isolated these issues from any particular destination countries or attractions aiming to draw a general perspective in this regard.

The survey results strongly supported the hypothesis that the travel needs of the Northeast Asian tourists revolve around the desire to see

well-known attractions. This reflects the high respect to the historical, cultural and modern monuments, which is deeply rooted in Asian societies. Traditionally, pure leisure activities were castigated, and intention of learning and expanding knowledge were praised. The long-haul travel associated with the latter are encouraged by their home-environment.

Following suit is the other unique characteristic of the Northeast Asian tourist market. The survey results indicate that "other people went" can be the major reason which motivates people to purchase an overseas trip. The touristic experience in this case is purchased, like any other luxurious commodities, to re-enforce their status and to ensure the acceptance of their social confines.

The present survey also highlighted the differences between the countries/regions. The most apparent differences of the travel motives are: Japanese emphasised 'to escape from daily routine' and 'to relax and enjoy life', Hong Kongese, 'to visit friends/relatives' and South Koreans and Taiwanese indicated that after visiting the neighbouring countries, people tend to seek different experiences.

Interestingly, despite the differences in travel motivations, the preference for types of attractions is almost identical among the four Northeast Asian countries/regions. The hypothetical assumption that the degree of

the popularity of an attraction is far more important than the attraction attributes has been positively proved. This phenomenon has been evidenced by many consumer-behaviour studies. Wilson (1985) once said that 'first-brand' awareness is the most sensitive predictor of preferences.

The general view of the Australian tourist industry is that the Northeast Asian tourists indulge in major cities. This view was confirmed by the present survey. However, the survey results also suggest that the scenic and picturesque area is as much appreciated as the major city. The implication of this is that the scenic and picturesque area is a highly marketable product in the Northeast Asian market.

With respect to the preference for travel-related services, many existing tourism sociology studies suggest that although novelty is the essential element in the touristic experience, many of today's tourists are not able to enjoy the change and novelty unless there is a strong base of familiarity. As a common ground, the hypothetical assumption that the Northeast Asian tourists prefer the kind of services which will create a familiar micro-environment, as at home, when travelling overseas has been accepted.

Another notable phenomenon is the high variations between the countries/regions in relation to the preference of types of travel-related services. There are three incidences where a reverse rating pattern

occurred. First is accommodation. Japan and South Korea strongly signalled that they prefer the first class than the middle range hotels, while Hong Kong and Taiwan believe that the demand for the middle range hotels will be higher. Second is the tour schedule. Taiwan and South Korea like busy tour schedules, in contrast, Japan and Hong Kong are in favour of free time so that they can explore by themselves or simply relax. Third is the food. The topic of what type of food Asian tourists like has been discussed a lot among the tourist industry in Australia. The general view is that Asian tourists prefer their own food when they are travelling in a foreign country. However the survey results indicate that the exotic cuisine does have its appeal to the Northeast Asian tourists. Among the four, Taiwan is the only case, where Asian food is preferred to exotic cuisines.

To conclude, the survey results featured the unique cultural value and its impact on the touristic activities in Northeast Asia. The hypotheses regarding the personal element of outbound tourism demand in Northeast Asia are proved, which can be seen as the essential common characteristics of the Northeast Asian tourist market. Further, the survey also highlighted the differences between the countries/regions. In most cases, the findings have been evidenced by either existing studies, statistics or opinions expressed by the industry observers.

6.3 Functional Element

The classic theory of destination-choice behaviour states that the perceived destination attribute is the primary determinant of the selection of a particular tourist destination among all the other alternatives. On the macro-scale of international tourism, destination regions can, and in most cases do, provide a variety of attraction attributes. Thus reasons which result in the uneven distributions of the tourist flow cannot be adequately explained by simple analysis of the attraction attributes. The focus of the exploration of the international tourist flow is the choice-determinants, which can be categorised into two basic elements; functional elements, which are physically inherent within the destination and affective elements, which are from external sources.

The measurement of the functional elements in this study concentrates only on cost, destination attributes, distribution and bilateral connectivities, including personal links between host and origin countries.

The hypothetical assumption that the choice of a destination country is largely determined by the presence of bilateral connectivities was based on the observation of the past outbound tourist flows from the Northeast Asian region, and the apparently close historical relations between the origin country and the destination country. This hypothesis was disproved

by the survey results. However, one should not dismiss this hypothesis yet, as the present survey has two major limitations in this regard. First, the survey is designed only to investigate the subjective perceptions of the industry representatives, who may not acknowledge or question the underlining issue of the current outbound tourist flow pattern. Second, the complexity of this issue requires research and analysis in its own right. The scale of this study is too small to provide valid answers.

The results of the present survey clearly indicate the high sensitivity to prices in the outbound tourist market in Northeast Asia. Among the four countries/regions, Hong Kong is the market most receptive to competitive prices.

Safety and climate as part of destination attributes are believed to be the predominant choice-determinants, especially in Japan and Taiwan. This represents a great opportunity to Australia as a tourist destination. An international visitors survey conducted by the Australian Bureau of Tourist Research found, when asking about enjoyment of stay, that climate was the aspect most appreciated by Asian tourists. Also, in view of global political instability, Australia can confidently present itself as a safe destination.

Another significant finding is that a new destination, a destination people, who are planning a overseas trip, have never been to before, is the most

important criterion for the selection of a destination. The types of attractions at the destination, the distribution network and the product range available for selection are not perceived to be principal factors. However, compared with Japan and South Korea, Taiwan and Hong Kong showed a higher demand for convenient bookings and wide product ranges.

6.4 Affective Element

Although, visiting 'new' places is the essential element of today's international mass tourism, no tourist would go to a place he/she knows nothing about. Information from an external source, such as friends' opinions, experts' advice and commercial advertising exert a considerable influence on touristic activities. This theory has been well defined and accepted by existing studies. The intention of this study is to investigate the importance of these external influences in comparison with the other choice variables, and to determine which of these external influences is more receptive in the tourist market of Northeast Asia.

The hypothetical assumption, that the most influential factors on destination choice are, travel consultant's knowledge, friends' opinions and commercial advertising about the destination, is proved by the survey results.

Further, friends' opinions about the destination is considered to be more influential in comparison with consultant's knowledge and commercial advertising. This finding indicates that the Northeast Asian tourist market is likely to generate a monopoly for a particular destination, as popularity may be reinforced by the increase in visitations.

The survey results also demonstrate that travel consultant's knowledge about the destination is as important as commercial advertising, with very little variation among the four countries/regions. This implies that the money spent on educating the 'public' through commercial advertising or on educating the 'expert' by expanding consultant's knowledge via either seminars or familiarisation tours may have similar effects.

Special attention should be paid to the travel agents and their capacity to facilitate and create demand with respect to expanding tourist flows from Northeast Asia to Australia. The International Visitors Survey conducted by the Australian Bureau of Tourist Research indicates that predominant majority of Asian tourists obtained the information about Australia from travel agents. Even those who derived information from other sources, mostly made their booking through local agents. There is evidence, for example travel agent market studies in the U.S.A., that many people go to their travel agent with only a vague idea of where they want to go, and rely on the consultant's advice in selecting a destination.

6.5 Consequences to Australia as a travel Destination

To see famous attractions, as discussed before, is the most important reason which motivates people in Northeast Asia to purchase long-haul trips. Therefore, for Australia as a travel destination, the ability to facilitate this demand is critical to the success in this market. The hypothetical assumption that lack of well known attractions is the major barrier to selection of Australia as their travel destination has been strongly supported by the survey results.

However, the situation in each country is different and should be monitored separately. In Taiwan, the attraction problem is associated with the popularity problem. The U.S.A and/or Europe as the travel destinations are considered more popular than Australia for both the Taiwanese and South Korean tourist markets.

Besides the constraint of popularity, in South Korea, Australia also suffers from low awareness and limited general knowledge of Australia among local residents. The latter has been pointed out by Mr Younggi Sul, President of the Korea Travel Bureau, He said that: "Australia is still mostly unknown to Korean travellers. We know that it is a young country located on a vast continent, but we are not sure how to relate to it." (1991, p.16).

In Japan, Australia has overcome the popularity constraint. Australia was rated as the most preferred destination in many recent surveys. Therefore, the attraction problem is isolated from the other factors.

The situation in Hong Kong is very different from the other three. The popularity of Australia, in comparison with the U.S.A and/or Europe, is perceived to be a more serious constraint than the attraction problems.

The survey results indicate that price competitiveness, (in comparison with an equivalent tour to U.S.A. or Europe), is the other factor which prevented more people coming to Australia. In this regard, the four countries/regions held a similar view.

The survey results also confirmed the other two hypotheses in reference to the barrier to selection of Australia as a travel destination. First is limited flight-carrying capacity and the other is the unfamiliarity of Australian tourist products by travel consultants. In both cases, the tourist industry in Taiwan and South Korea expressed stronger dissatisfaction and frustration than Japan and Hong Kong.

To open a direct air-route between Australia, Taiwan and South Korea should see an immediate release of the carrying capacity constraint. However, improvement in travel consultants' knowledge about Australian tourist products requires, first of all, attention from both government and

private tourist organisations in Australia, followed by joint efforts with the tourist industry in Northeast Asia over a period of time.

The reassuring outcome of the present survey is that the tourist industry in Northeast Asia has expressed satisfaction with quality of travel services in Australia. Further, they are confident that the image of Australia as a travel destination has appeal for people in their country.

In conclusion, with reference to the barriers which prevent more people selecting Australia as a travel destination, the message is very clear. Popularity of attractions, competitiveness of prices, and improvement of travel consultants' knowledge of Australian tourist products are the key issues in order to attract more people to Australia and to increase the market share in Northeast Asia.

CHAPTER 7 -

IMPLICATIONS FOR AUSTRALIAN TOURIST INDUSTRY

In conclusion, the expected sound economic growth and the current moderate population/outbound tourist ratio associated with government deregulation and/or encouragement, as well as favourable attitudes towards overseas travelling, and the confidence of the tourist industry, confirm the general assumption that strong market growth in Northeast Asia will continue through the next decade. The existing literature and the commitment to the region of the Australian tourist industry indicate that the potential of the Northeast Asian tourist market has already been recognised and comprehended.

However, to be able to fully utilise the market potential, more directive research is required. This study is only a introductory step forward in this regard.

Before summarising the present research and explicating its implications for the Australian tourist industry, the limitations should be attended to. The arguments presented in the following summary and implication sections should thus be treated strictly as indicative than conclusive.

7.1 Summary

In summary, this paper has attempted to identify the main characteristics of outbound tourist demand from the Northeast Asian region. As an initiative study, broad issues have been discussed and addressed, which may be valuable for further investigations in a more specific aspect of any one of these issues.

In the existing literature, although the importance and the potential of the outbound tourist market in Northeast Asia is recognised, there is clearly a shortage of structured studies on this market. It is not possible to achieve definite answers to all the issues discussed by a study, one would like to believe this paper has contributed in this regard.

The major findings of the present study are summarised as follows:

- (1) Flight-carrying capacity is seen as the major constraint which may suppress outbound demand from the Northeast Asian market. At the same time, the dangers of terrorism and racialism are a concern to the tourist industry.
- (2) The travel needs of the Northeast Asian tourists revolve around the desire to see well-known attractions. To travel overseas in Northeast Asia is not simply a leisure activity. It is often associated

with the desire to learn and experience different cultures, and the need to re-enforce social status.

- (3) Despite the differences in travel motivations, preference for types of attractions is almost identical among the four Northeast Asian countries/regions. The popularity of an attraction is more important than the attraction attributes. Furthermore, scenic/picturesque areas are as much appreciated as the major cities.
- (4) The common ground in the Northeast Asia tourist market regarding preference for travel-related services is that tourists favour the kind of services which will create a familiar micro-environment as at home. However, a considerable difference is shown in selection of types of accommodation and package tours.
- (5) Price, safety and climate are believed to be the predominant destination-choice determinants.
- (6) Friends' opinions is the most influential factor in the selection of a particular destination. The other important finding is that the travel consultants' knowledge about a destination is as influential as commercial advertising.

7.2 Implication for the Australian Tourist Industry

Based on the findings of this study, the following implications are identified. As the primary goal of the study, these implications are presented to the Australian tourist industry:

- (1). To avoid frustration, either from the market in Northeast Asia or the industry in Australia, government as well as industry organisations should closely monitor flight-carrying capacity between Australia and the Northeast Asian countries/regions, and advise/oversee tourist development policies and plans until this constraint is resolved.
- (2). To facilitate a positive attitude of learning and expanding knowledge in the social contents in Northeast Asia, Australia should promote its cultural and historical significance. For instance, the history of early settlement and the value of Australian native animals and plantation.
- (3). To popularise or to develop if necessary, a few key "tangible" attractions by repeatedly promoting these attractions in the Northeast Asian tourist market and emphasising the cultural, historical or technological importance of these attractions.

- (4). Pinpoint a few scenic/picturesque areas and market their natural beauty and uniqueness in global contents to the Northeast Asian market.
- (5). The immediate marketing strategy should concentrate on increasing awareness of the "tangible" attractions in Australia rather than personal experience which was previously emphasised in ATC and VTC promotion programs.
- (6). Inclusive package tours should remain as the major products for the Northeast Asian market, especially the South Korea and Taiwan market, with stronger emphasis on easy and worry-free holidays.
- (7). The features of the tourist products should differentiate to cater to the need of each market. In the light of sensitivity to prices in the Hong Kong market, the products for this market should be competitive in relation to similar tours provided in the U.S.A. and Europe.

For the other three Northeast Asian countries, the products should be featured with the image of quality destination. The differences for each market should be as follows: the products for Japan should emphasise safety and relaxation; for Taiwan, climate; for South Korea, natural beauty.

- (8). For the hotel industry, first class hotels should focus on and target at the Japan and South Korea markets; 3 to 4 star hotels should aim at the Hong Kong and Taiwan markets.
- (9). Tour operators should be aware that Taiwanese and South Korean tourists prefer busy tour schedules, while Japanese and Hong Kongese appreciate free-time for relaxing or exploring by themselves.
- (10). For the catering industry, European and Australian style food can be confidently marketed to the Japan, South Korea and Hong Kong markets.
- (11). ATC and other tourist organisations should consider the option of conducting seminars in Northeast Asian countries/regions to introduce Australian tourist attractions and products to retail travel consultants. Improvement of consultants' knowledge can be as effective as commercial advertising in promoting Australia.

To end this paper, one would like to congratulate the Australian tourist industry on their extraordinary effort in successfully establishing its popularity as a travel destination in Japan. The task ahead is to achieve

the same degree of popularity in the other three Northeast Asian countries/regions and to sustain the current growth rate in international tourist arrivals.

REFERENCE

Joel Axelrod, "Attitude Measures That Predict Purchase", Journal of Advertising Research, No. 8, pp.3-17, 1968.

Asia Yearbook, 1980 - 1990

Murray Bailey, "Tour Wholesalers In Japan, Hong Kong And Taiwan", Travel & Tourism Analyst, No. 4, pp.57-71, 1988.

J.L. crompton, "Motivations For Pleasure Vacation",
Annals of Tourism Research Vol. 6, pp.402-424, 1979.

Graham M.S. Dann, "Tourism Motivation Appraisal",
Annals of Tourism Research Vol. 11 pp.187-219, 1981.

Ernest Dichter, Speech at the International Seminar
held in Shrinagar, Kashmir, October, 1967.

Anthony Edwards, "Far East And Pacific Travel In The
1990s", The Economic Intelligence Unit, special report,
No. 2070, 1990.

Anthony Edwards, "International Tourism Forecast to 1999", The Economic Intelligence Unit, special report, No. 1242, 1987.

Ross Garnaut, Australia and the Northeast Asian Ascendancy, Australia Government Publishing Service, 1989.

R. L. Gitelson & J. L. Crompton, "The Planning Horizons and Sources of Information Used by Pleasure Traveller", Journal of Travel Research, Vol. 11, pp.30-40, 1983.

S. Um & J. L. Crompton, "Attitude Determinants in Tourism Destination Choice", Annals of Tourism Research, Vol. 17, pp.432-448, 1990.

Yvonne Gautier, Market Seminar, East Asia (ATC), June 1989.

Michael Hambley, Market Seminar, Japan (ATC), June, 1989.

Lloyd E. Hudman & Donald E. Hawkins, Tourism in Contemporary Society, Prentice-Hall Inc., 1989.

Cheong Choong Kong, Creating And Sustaining Demand The

Sia Way, Speech at PATA Annual Conference, April 1989.

International Visitor Survey 1989, Australia Bureau of
Tourism Research.

Arch Woodside & Steven Lysenski, "A General Mode of Travel
, Destination Choice", Journal of Travel Research, Spring, pp.8-14, 1989.

David McCallum, Potential Holiday Travellers From South
Korea And Taiwan To The Pacific Asia Region, Speech at
PATA Annual Conference 1989.

Cary McDonald & Sue Yuan, "Motivational Determinants of
International Pleasure Time", Journal of Travel
Research, Summer, pp.42-44, 1990.

Louis Harris & Associates, The Character and Volume of
the U.S. Travel Agency Market, 1971 - 1981, special report.

Robert W. McIntosh & C. R. Goeldner, Tourism:
Principles, Practices, Philosophies, 4th Edition, John
Wiley New York, 1984.

Stan Maiden, "Airport Congestion And Constraints To

Growth", Travel & Tourism Analyst, No. 1, pp.7-27, 1988.

Ian M. Mately, The Geography of International Tourism, Association of American Geographers, Resource paper No. 76-1, 1976.

Donald A. Michie & Gary L. Sullivan, "The Role(s) of the International Travel Agent in Travel Decision Process of Client Families", Journal of Travel Research, Fall, pp.30-38, 1990.

R. C. Mill & A. M. Morrison, The Tourism System, Prentice-Hall Inc., 1985.

Stephen Morris, "Japanese Travel To Europe", Travel and Tourism Analyst, No. 3, pp.38-65, 1991.

Peter E. Murphy, Tourism: A community Approach, Methuen Inc., 1985.

S. D. Nolan, "Tourists Use and Evaluation of Travel Information Sources: Summary and Conclusion", Journal of travel Research, Vol. 14, pp.6-8, 1976.

Douglas Pearce, Tourism Today: A Geographical Analysis, Longman New York, 1989.

W. Fred Van Raaji, "Consumer Research on Tourism", Annual of Tourism Research, Vol. 13, pp.1-9, 1986.

Neal Rudge, The Taiwanese Are Coming, PATA Travel News, April 1988.

Valene L. Smith, Host and Guests, University of Pennsylvania Press, 1977.

Kim Ki Soo, Airline Potential on the Route Korea/South East Asia, presentation at the market seminar 1989.

Younggi Sul, Doing Business In The Korean Outbound Tour Market, Speech at PATA seminar 1991.

Lindsay W. Turner, Business Statistics, F.I.T. Publication, 1991.

Kyogo Ue, The Japanese Market Update & Expectations, Speech at Australia Inbound Tour Operator Association seminar 1991.

Anthony V. Williams & Wilbur Zelinsky, "On Some Patterns in International Tourist Flows", Economic Geography, Vol. 46, No. 4, pp.549-67, 1970.

Mike Williams & Mike Yates, Asia Market, Speech at market seminar (Australian Tourist Commission) 1991.

Elizabeth Wilson, "A procedure for the Analysis of Consumer Decision Making", Journal of Advertising Research, 21, pp.31-38, 1981.

Arch Woodside & Elizabeth Wilson, "Effects of Consumer Awareness of Brand Advertising on Preference", Journal of Advertising Research, 25, pp.44-53. 1985.

APPENDIX A -

QUESTIONNAIRE

Ballarat Road Telephone
Footscray (03) 688 4200
PO Box 64 Facsimile
Footscray (03) 689 4069
Victoria 3011
Australia

Dear Sir/Madam

This questionnaire is a very important part of the research program. The questionnaire is designed to be answered by people who have years of experience in the outbound tourism industry in Northeast Asian countries or the inbound tourism industry in Australia, preferably holding a managerial position.

Your assessment and answers to the questions are regarded as the expert's opinion. Please answer each of the questions carefully, and as thoughtfully as you can.

Your comments will be valued highly. therefore, if there is not enough space in the questionnaire, write down your comments separately and send them to us together with the questionnaire.

Our time frame is short. Could you please return this questionnaire including this page within two weeks of receipt to 4 Cliff Street, Essendon Vic. 3040 Australia or fax to (61 3) 337 0936, attention to Yan Yan Sun.

Thank you!

Please give the following information in print:

Position : _____

Company Name: _____

Company Address: _____

Country: _____

Facsimile transmission

To : (61) (3) 3370936

From:

Total Page :

Authorised by : Dr L.W. Turner



QUESTIONNAIRE

Please mark your importance rating from 1 (minimum) to 5 (maximum) for all the answers to the following questions.

Note: The focus of attention is long haul travel, which means travel from your country to beyond North and Southeast Asia.

1. **IN YOUR OPINION, THE FACTORS WHICH WILL RESTRICT FURTHER INCREASES IN OUTBOUND TOURISM DEMAND IN YOUR COUNTRY IN THE NEXT 10 YEARS ARE:**

- | | | | | | |
|---|---|---|---|---|---|
| * slow down of GDP growth | 1 | 2 | 3 | 4 | 5 |
| * unfavourable fluctuations of the exchange rate | 1 | 2 | 3 | 4 | 5 |
| * only a small proportion of the local population is affluent | 1 | 2 | 3 | 4 | 5 |
| * government disencouragement | 1 | 2 | 3 | 4 | 5 |
| * your country's international trade deficit | 1 | 2 | 3 | 4 | 5 |
| * limited flight carrying capacity | 1 | 2 | 3 | 4 | 5 |
| * unpleasant travel experiences | 1 | 2 | 3 | 4 | 5 |
| * terrorism | 1 | 2 | 3 | 4 | 5 |
| * racialism | 1 | 2 | 3 | 4 | 5 |
| * better attractions & facilities at home | 1 | 2 | 3 | 4 | 5 |
| * other (please specify in full) | | | | | |

1 2 3 4 5

1 2 3 4 5

2. **FROM YOUR KNOWLEDGE AND EXPERIENCE, THE REASONS WHY YOUR CLIENTS TAKE A LONG HAUL TRIP ARE:**

- | | | | | | |
|--|---|---|---|---|---|
| * to see famous attractions | 1 | 2 | 3 | 4 | 5 |
| * been to neighbouring countries already | 1 | 2 | 3 | 4 | 5 |
| * to see how people live in that country | 1 | 2 | 3 | 4 | 5 |
| * to escape from daily routine | 1 | 2 | 3 | 4 | 5 |
| * to visit friends/relatives | 1 | 2 | 3 | 4 | 5 |
| * other people went, I must go | 1 | 2 | 3 | 4 | 5 |
| * a proper thing to do for social status | 1 | 2 | 3 | 4 | 5 |
| * to relax and enjoy life | 1 | 2 | 3 | 4 | 5 |
| * for health reasons | 1 | 2 | 3 | 4 | 5 |
| * to study | 1 | 2 | 3 | 4 | 5 |
| * to do business | 1 | 2 | 3 | 4 | 5 |
| * thinking of migrating to that country | 1 | 2 | 3 | 4 | 5 |
| * other (please specify in full) | | | | | |

1 2 3 4 5

1 2 3 4 5

3. FROM YOUR KNOWLEDGE AND EXPERIENCE, THE TYPE OF ATTRACTIONS YOUR CLIENTS LIKE THE MOST, AND USUALLY PREFER TO INCLUDE IN THEIR TOURS ARE:

* places which are very well known	1	2	3	4	5
* museums and art galleries	1	2	3	4	5
* major cities of the country	1	2	3	4	5
* major shopping centres	1	2	3	4	5
* historical sites	1	2	3	4	5
* national parks	1	2	3	4	5
* zoos	1	2	3	4	5
* beach resorts	1	2	3	4	5
* resorts with various sports facilities	1	2	3	4	5
* scenic and picturesque areas	1	2	3	4	5
* entertainment and gambling locations	1	2	3	4	5
* other (please specify in full)					
_____	1	2	3	4	5
_____	1	2	3	4	5

4. FROM YOUR KNOWLEDGE AND EXPERIENCE, THE TYPE OF TRAVEL SERVICES YOUR CLIENTS APPRECIATE WHEN THEY MAKE A LONG HAUL TRIP ARE:

* first class accommodation	1	2	3	4	5
* middle range accommodation	1	2	3	4	5
* escorted package tour	1	2	3	4	5
* individually designed tour	1	2	3	4	5
* information in their native language	1	2	3	4	5
* busy tour schedule	1	2	3	4	5
* plenty of time to explore or relax	1	2	3	4	5
* exotic cuisine	1	2	3	4	5
* Asian food	1	2	3	4	5
* other (please specify in full)					
_____	1	2	3	4	5
_____	1	2	3	4	5

5. IN YOUR OPINION, THE REASONS THAT YOUR CLIENTS CHOOSE A PARTICULAR COUNTRY ARE:

* have friends/relatives there	1	2	3	4	5
* friendly relations between two countries	1	2	3	4	5
* relatively shorter spatial distance	1	2	3	4	5
* favourable climate	1	2	3	4	5
* know someone who's been to or from that country	1	2	3	4	5
* relatively cheaper than other countries	1	2	3	4	5
* learned a lot about that country	1	2	3	4	5
* has business relations with that country	1	2	3	4	5
* familiar with the attractions in that country	1	2	3	4	5
* country is mysterious as people know little about it ..	1	2	3	4	5
* been to that country before and like it	1	2	3	4	5
* never been to that country before	1	2	3	4	5
* other (please specify in full)					
_____	1	2	3	4	5
_____	1	2	3	4	5

6. FROM YOUR KNOWLEDGE AND EXPERIENCE, THE FACTORS WHICH OFTEN INFLUENCE YOUR CLIENTS WHEN THEY ARE SELECTING A LONG HAUL DESTINATION ARE:

* cost	1	2	3	4	5
* safety and security at the destination	1	2	3	4	5
* the knowledge of their travel consultants about the destination	1	2	3	4	5
* friends opinion about the destination	1	2	3	4	5
* whether the tour can be booked easily and locally	1	2	3	4	5
* the range of products available for selection	1	2	3	4	5
* ability to fly directly	1	2	3	4	5
* the type of attractions at the destination	1	2	3	4	5
* commercial advertising	1	2	3	4	5
* other (please specify in full)					
	1	2	3	4	5
	1	2	3	4	5

7. IN YOUR OPINION, THE BARRIERS FOR PEOPLE IN YOUR COUNTRY AGAINST SELECTING AUSTRALIA AS THEIR TRAVEL DESTINATION ARE:

* people know very little about Australia	1	2	3	4	5
* Australia is not as popular as USA. or Europe	1	2	3	4	5
* hard to get the entry visa	1	2	3	4	5
* lack of well known attractions	1	2	3	4	5
* limited flight carrying capacity	1	2	3	4	5
* low flight frequency	1	2	3	4	5
* cost more than an equivalent tour to USA or Europe	1	2	3	4	5
* travel consultants at retail agencies are not familiar with Australian tourist products	1	2	3	4	5
* narrow product range in the market place	1	2	3	4	5
* limited numbers of agents handle Australia	1	2	3	4	5
* the image of Australia does not suit people's taste ...	1	2	3	4	5
* travel services are not as good as in USA or Europe ...	1	2	3	4	5
* language difficulties	1	2	3	4	5
* other (please specify in full)					
	1	2	3	4	5
	1	2	3	4	5

8. OTHER COMMENTS

APPENDIX B -

LIST OF SELECTED TOUR COMPANIES

LIST OF SELECTED TOUR COMPANIES

ANY TOURS ENTERPRISES LTD.

107, 1/F. Shopping Arcade, Tung Ying Building, 100 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong. Tel: 369 7251

ARCHER TRAVEL LTD.

16/F Ocean Centre, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong. Tel: 730 1166

ARROW TRAVEL AGENCY LTD.

2101 Alexandra House, Central, Hong Kong.

Tel: 523 7171

ASIA VOYAGES TRAVEL NETWORK LTD.

Basement/F, Far East Exchange Building, 8 Wyndham Street, Central, Hong Kong. Tel: 845 4545

THE AUDIO-VISUAL CORPORATION LTD.

1/F, Leighton Road, Causeway Bay, Hong Kong.

Tel: 834 2226

AUGUST MOON TOUR & TRAVEL CO. LTD.

G/F, Shop J, Burlington Arcade, 92 Nathan Road, Kowloon, Hong Kong. Tel: 369 3151

BSR INTERNATIONAL TRAVEL LTD.

301-303 Ocean Galleries, 3/F South Tower, World Finance Centre, Harbour City, Kowloon, Hong Kong. Tel: 730 3626

CARRY ON TRAVEL AGENCY CO. LTD.

402 Tak Woo House, 17-19 D'Aguilar Street, Central, Hong Kong. Tel: 525 4549

CHINA TRAVEL SERVICE (HOLDINGS) H.K. LTD.

CTS House, 78-83 Connaught Road, Central, Hong Kong.

Tel: 853 3883

CONCORDE AIR-SEA SERVICE LTD.

1 & 8/F, 8-10 On Lan Street, Central, Hong Kong.

Tel: 526 3391

DODWELL TRAVEL LTD.

5/F BCC House, 10 Queen's Road, Central, Hong Kong.

Tel: 523 4086

EDWYNN TRAVEL LTD.

R2. Block B2, 5/F, Hankow Centre, 4-A Ashley Road, Tsim Tsui, Kowloon, Hong Kong. Tel:

368 8231

EXCELLA TRAVEL (H.K.) LTD.

407 Hing Wai Building, 36 Queen's Road, Central, Hong Kong. Tel: 810 7588

FARRINGTON TRAVEL LTD.

2/F Shui On Centre, 6-8 Harbour Road, Wan Chai, Hong Kong. Tel: 866 3111

GREAT EASTERN TOURIST LTD.

Top/F Yung Kee Building, 32-40 Wellington Street, Central, Hong Kong. Tel: 525 1101

HANEDA TRAVEL SERVICE LTD.

1005-6 Hing Wai Building, 36 Queen's Road, Central, Hong Kong. Tel: 810 4908

HING WAI SEA, LAND, AIR TRAVEL LTD.

503 Hing Wai Building, 36 Queen's Road, Central, Hong Kong. Tel: 522 0011

HONG KONG FOUR SEAS TOURS LTD.

7/F Century House, 3-4 Hanoi Road, Tsim Sha Tsui, Kowloon, Hong Kong. Tel: 722 6112

HONG KONG STUDENT TRAVEL LTD.

501-9 Trade Square, 681 Cheung Sha Wan Road, Kowloon, Hong Kong. Tel: 725 3983

HONG KONG WING ON TRAVEL SERVICE LTD.

23/F Lane Crawford House, 70 Queen's Road, Central, Hong Kong. Tel: 525 1112

HYFCO TRAVEL AGENCY LTD.

1/F Central Harbour Service Pier, Pier Road, Central, Hong Kong. Tel: 542 3081

JADE TRAVEL LTD.

2201 Yardley Commercial Building, 3 Connaught Road West, Hong Kong. Tel: 853 8538

JARDINE AIRWAYS DIVISION

30/F Alexandra House, Central. Hong Kong. Tel: 846 7802

JEBSEN TRAVEL

8/F Pedder Building, 12 Pedder Street, Central, Hong Kong. Tel: 524 2181

JETWAY EXPRESS LTD.

704 Houston Centre, Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong. Tel: 369 5591

JET-WAY TRAVEL & TOURS SERVICE

1213 Bank Centre, Mongkok, Kowloon, Hong Kong.

Tel: 780 9313

KINGSLINE TRAVEL & TOURS LTD.

306-8 King's Building, 2-4 Chatham Cout, Tsim Sha Tsui, Kowloon, Hong Kong. Tel: 369 8141

LOTUS TOURS LTD.

12 & 13/F Kaiseng Commercial Centre, 4-6 Hankow Road, Kowloon, Hong Kong. Tel: 732 1133

MIRAMAR EXPRESS

AR4 Princess Shopping Plaza, 130 Nathan Road, Kowloon, Hong Kong. Tel: 733 6666

SUNFLOWER TRAVEL SERVICE LTD.

2/F Alpha House, 37-33 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong. Tel: 369 0283

WAH NAM TRAVEL SERVICE LTD.

1/F Silver Commercial Building, 719 Nathan Road, Mongkok, Kowloon, Hong Kong. Tel: 390 6611

GREENING TOUR

Hankyu Kotsu-Sha Building, Shimnbashi 3-3-9, Minato-Ku, Tokyo 105, Japan. Tel: (03)591 8211

HOLIDAY TOUR

Tokyo Kintetsu Building, Kanda Matsunagacho 19-2, Chiyoda-Ku, Tokyo 101, Japan. Tel: (03)253 1551

JALPAK

World Trade Centre Building, Hamamatsu-Cho 2-4-1, Minato-Ku, Tokyo 105, Japan. Tel: (03)435 6527

JETOUR

Tokyo Clib Building, Kasumigaseki 3-2-6, Chiyoda-Ku, Tokyo 100, Japan. Tel: (03)502 0131

}

LOOK (JTB)

Senpaku Shinkoh Building 2/F, Toranomom 1-15-16, Minato-Ku, Tokyo 105, Japan. Tel: (03)501 7711

LOOK (NEC)

Kyoto Shimbun Building 4/F, Ginza 8-2-8, Chuo-Ku, Tokyo 104, Japan. Tel: 573 7881

MARCH

Shimajima Building, Higashi-Shimbashi 1-2-17, Minato-Ku, Tokyo 105, Japan. Tel: 573 4778

TOP TOUR

Shibuya Metro Building 9/F, Shibuya 1-16-14, Shibuya-Ku, Tokyo 150, Japan. Tel: (03)407 0955

JAPAN CREATIVE TOUR (AUSTRALIA)

19 Bligh Street, Sydney NSW 2000. Australia.

Tel: (02)232 6322

JAPAN TRAVEL BUREAU

Level 27, Gateway, 1 Macquarie Place, Sydney NSW 2000, Australia. Tel: (02)247 1133

JETOUR AUSTRALIA PTY.LTD.

Suite 71, 8-12 Bridge Street, Sydney NSW 2000, Australia.

Tel: (02)241 2044

NIPPON TRAVEL AGENCY CO. LTD.

Level 9 Bank of America Centre, 135 King Street, Sydney NSW 2000, Australia. Tel:

(02)221 8422

TOKYU TOURIST CORPORATION

12/F, 307 Pitt Street, Sydney NSW 2000, Australia.

Tel: (02)261 8299

TRAVELLERS

Level 12 Travellers House, 210 George Street, Sydney NSW 2000, Australia. Tel: (02)256

4444

AJU TOURIST SERVICE

5-2 Soonhwa-dong, Chongro-ku, Seoul, Korea.

Tel: 753 5051

DONGBU EXPRESS CO. LTD.

17-18 Dongja-dong, Youngsan-ku, Seoul, Korea.

Tel: 754 5781

DONG YANG EXPRESS TRAVEL

75 Seosomun-dong, Chung-ku, Seoul, Korea.

Tel: 753 8681

DYNASTY TOURIST CO. LTD.

7-2 Sajik-dong, Chongro-ku, Chongro-ku, Seoul, Korea.

Tel: 736 0051

EAST-WEST TRAVEL SERVICE

Koreana Hotel 61, 1-ka, Taspyung-ro, Chung-ku, Korea.

Tel: 735 8734

GLOBAL TOURS

120, 5-ka Taspyung-ro, Chung-ku, Seoul, Korea.

Tel: 777 9921

HANJIN TRAVEL SERVICE

hanji Building 132-4, Bongrae-dong, Chung-ku, Korea.

Tel: 777 0041

HANNAM TOURIST

5/F Kyewon Building, 32-7 Kwanchul-dong, Chongro-ku, Seoul, Korea. Tel: 732 1011

HWA SEUNG TOURS INC.

368-2, 3-ka, Chungjung-ro, Seodasmoon-ku, Korea.

Tel: 393 2222

HANSUN TOURS LTD.

157, 2-ka, Chungjung-ro, Seodasmoon-ku, Korea.

Tel: 393 2451

INTERNATIONAL AIR TRAVEL SERVICE

50-1, Towha-dong, Mapo-ku, Seoul, Korea.

Tel: 717 6545

JUNGANG EXPRESS TRAVEL CO. LTD.

19-8, 1-ka, Chongro-ku, Seoul, Korea.

Tel: 738 8844

KOLON EXPRESS & TOUR

194-27 Insa-dong, Chongro-ku, Seoul, Korea.

Tel: 733 2568

KOREA EXPRESS TRAVEL SERVICE

Dong-a Construction Building, 120-23 Seosomun-dong, Chung-ku, Seoul, Korea. Tel: 757
2220

KOREA TRAVEL BUREAU

1465-11 Socho-dong, Socho-ku, Seoul, Korea.

Tel: 585 1191

KOREA TRAVEL COMPANY

Dong-yang Building, Sokong-dong, Chung-ku, Seoul, Korea.

Tel: 777 5661

KOREA TRAVEL INTERNATIONAL

Myongji Building, 58-17 Seosomun-dong, Chung-ku, Korea.

Tel: 755 0848

KOREA TRAVEL SERVICE

5/F Kolon Building, Muky-dong, Chung-ku, Seoul, Korea.

Tel: 778 1941

LOTTE TRAVEL SERVICE

Saehan Building, 27-1 Supyo-dong, Chung-ku, Seoul, Korea.

Tel: 265 4151

LUCKY TRAVEL INC.

75-95 Seosomun-dong, Chung-ku, Seoul, Korea.

Tel: 776 1211

ORIENT EXPRESS CORPORATION

244 Chungjin-dong, Chung-ku, Seoul, Korea.

Tel: 735 7511

PARADISE TRAVEL CO.

17-23, 4-ka, Namdaemoon-ro, Chung-ku, Seoul, Korea.

Tel: 757 2151

SAMHEE TRAVEL SERVICE

19/F Jangkyo-dong, Chung-ku, Korea.

Tel: 755 9251

SAM JOONG TRAVEL SERVICE

194-4 Insa-dong, Chongro-ku, Seoul, Korea.

Tel: 734 5858

SEOUL ORIENT EXPRESS

149-1 Pyongwoon Building, 70 Kyongwoon-dong, Jongro-gu, Korea. Tel: 734 4567

SEOUL TRAVEL SERVICE

Kumjung Building, 192-11, 1-ka, Eulchi-ro, Chung-ku, Korea. Tel: 755 9696

SHINA TRAVEL SERVICE

Koryo Building, 24, 1-ka, Sinmoon-ro, Chongro-ku, Seoul, Korea. Tel: 793 7511

SUNWOO TOURIST CORP.

58-85, 1-ka, Changchung-dong, Chung-ku, Seoul, Korea.

Tel: 277 7211

KOREA TIME TRAVEL LTD.

Hankookibo Building, 14 Chunghak-dong, Chongro-ku, Korea.

Tel: 732 1501

UNIVERSAL TOUR & TRAVEL AGENCY CO. LTD.

145 Dangju-dong, Chongro-ku Seoul, Korea.

Tel: 737 5349

AMERICAN EXPRESS INT'L (TAIWAN) INC.

3-4/F, 214 Tun-hwa N. Road, Taipei, Taiwan.

Tel: 713 0789

ASTAR TRAVEL AGENTS LTD.

7/F, 110 Chung-shan N. Road, Sec. 2, Taipei, Taiwan.

Tel: 311 7755

CHIEN AN TRAVEL SERVICE

R205, 2/F 41 Chung-hsiao W. Road, Sec. 1, Taipei, Taiwan.

Tel: 371 6968

CHINA EXPRESS TRANSPORTATION CORP.

70 Chung-shan N. Road, Sec. 2, Taipei, Taiwan.

Tel: 541 6466

CHINA EXPRESS LTD.

68 Chung-shan N. Road, Sec. 2, Taipei, Taiwan.

Tel: 563 1200

CHINA TRAVEL SERVICE (TAIWAN)

56 Lin-shen N. Road, Taipei, Taiwan.

Tel: 551 5933

COSMOPOLITAN TRAVEL SERVICE

15/F, 33 Chien-kuo N. Road, Sec. 2, Taipei, Taiwan.

Tel: 509 5323

DIMERCO EXPRESS (TAIWAN) CORP.

2/F, 162 Chang-an E. Road, Sec. 2, Taipei, Taiwan.

Tel: 772 0204

GRAND TRAVEL

13/F, 167 Fu-hsing N. Road, Taipei, Taiwan.

Tel: 718 7300

FULLER EXPRESS CORP.

8/F, 82 Chien-kuo N. Road, Sec. 2, Taipei, Taiwan.

Tel: 505 4145

JU PON TRAVEL AGENCY

2/F, 267 Chung-hsiao E. Road, Sec. 3, Taipei, Taiwan.

Tel: 751 6251

MORRISON TRAVEL SERVICE LTD.

3/F, 25 Jen-ai Road, Sec. 4, Taipei, Taiwan.

Tel: 731 4411

OVERSEAS TRAVEL SERVICE LTD.

3/F, 156 Fu-hsing N. Road, Taipei, Taiwan.

Tel: 719 2540

POPULAR TRAVEL SERVICE CO. LTD.

7/F, 38 Nan-king E. Road, Sec. 2, Taipei, Taiwan.

Tel: 561 6118

APPENDIX C -

DEFINITIONS

Definitions

TOURISM

Tourism has been defined as the relationships and phenomena arising out of the journeys and temporary stays of people travelling primarily for leisure or recreational purposes. (Pearce 1981). The duration of stays for twenty-four hours are universally recognised in the case of international tourism.

TOURISM DEMAND

Economists define demand as a schedule of the amount of any product or service which people are willing and able to buy at each specific price in a set of possible prices during some specific period of time. (McIntosh 1984). The term 'tourism demand' in this paper refers to the volume of travel, requested and purchased, to a given destination at a specific time.

TOURIST MOTIVATION

In this paper, tourist motivation refers to the reasons and internal desires for travelling.

OUTBOUND TOURISM

The term outbound tourism refers to a particular segment of international tourism; that is, local residents travelling abroad.

LONG-HAUL TRAVEL

Long-haul travel in this paper refers to any journey or travelling from Northeast Asia to a destination which is beyond Northern Asia and Southeast Asia.

NORTHEAST ASIA

The term Northeast Asia in this paper is defined to include Japan, Hong Kong, Taiwan and South Korea.

FLIGHT-CARRYING CAPACITY

Flight-carrying capacity refers to the carrying capacity of the scheduled flight.

DESTINATION

A destination is considered as a consumer product which is composed of attractions, accommodation, and other travel-related services. The term 'destination' in this paper refers to the place/country in which a tourist spends the most time during a specific trip.

TRAVEL NEEDS

The term 'travel needs' refers to an internal demand or desire which motivates an individual to travel.

CULTURAL AND SOCIAL MOTIVATORS

Murphy (1985) identified four basic travel motivators: physical, cultural, social and fantasy. The cultural motivators refer to the desire to learn about foreign countries and customs as the major reason for travelling. The social motivators include visits with relatives and friends, meeting business associates, and pursuing activities associated with social status.

The term 'cultural and social motivators' in this paper refers to a combination of cultural, (interests in learning about foreign countries), and social, (enhancement of personal/business relations and social status), motives which are the major reasons for travelling.

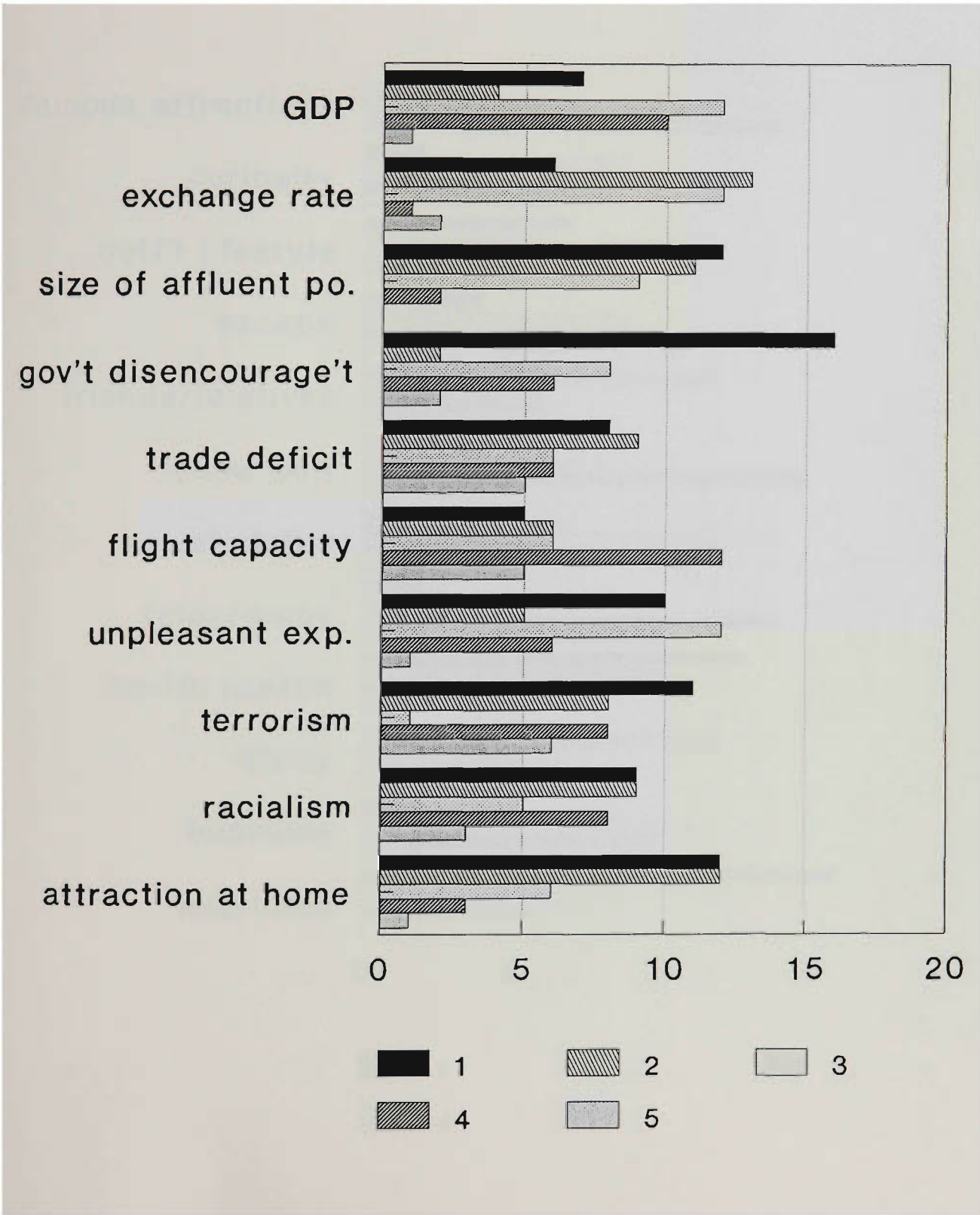
BILATERAL CONNECTIVITY

The term 'bilateral connectivity' refers to the existence of economic, military, cultural, family and other ties or linkages between two countries.

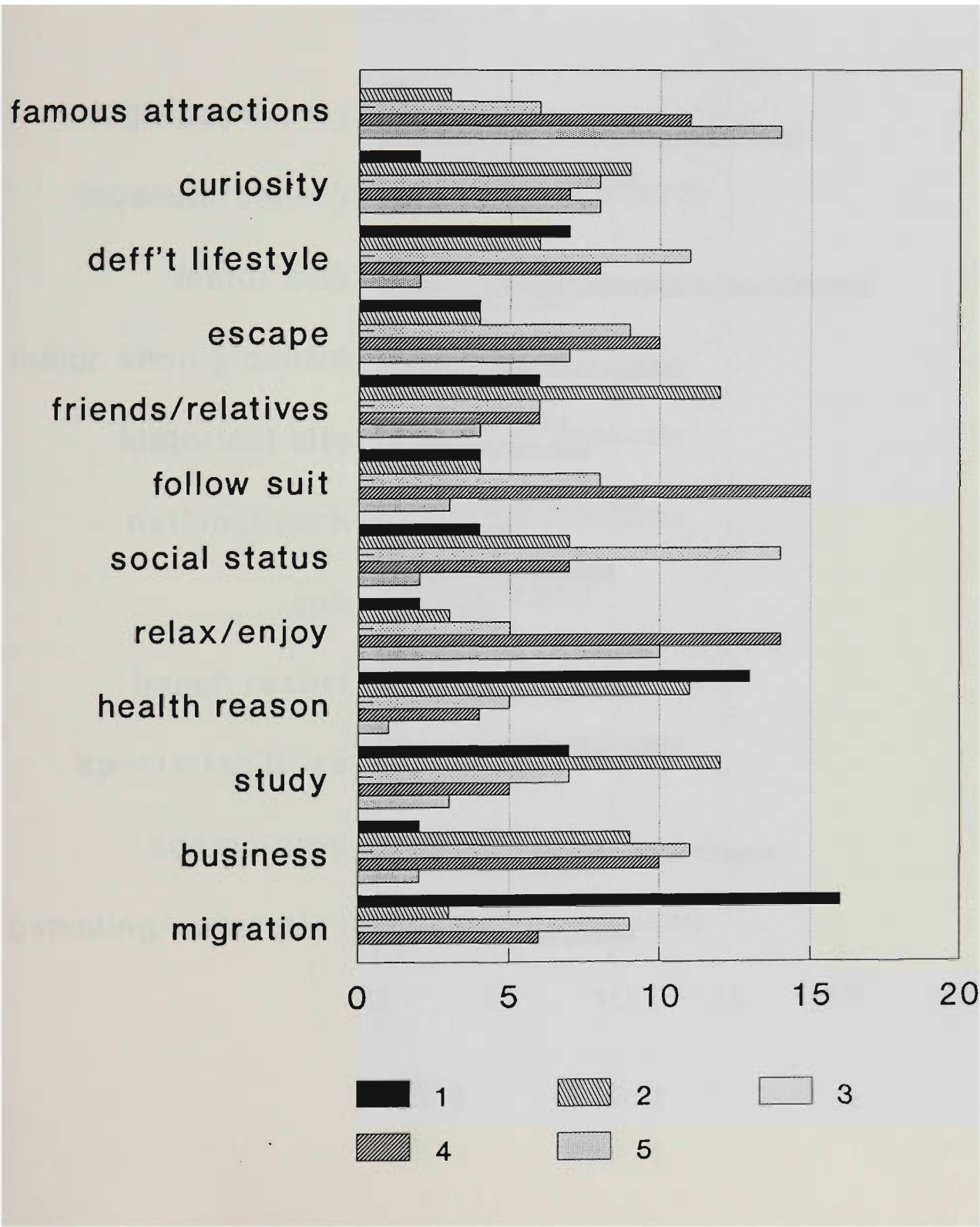
APPENDIX D -

FREQUENCY DISTRIBUTION

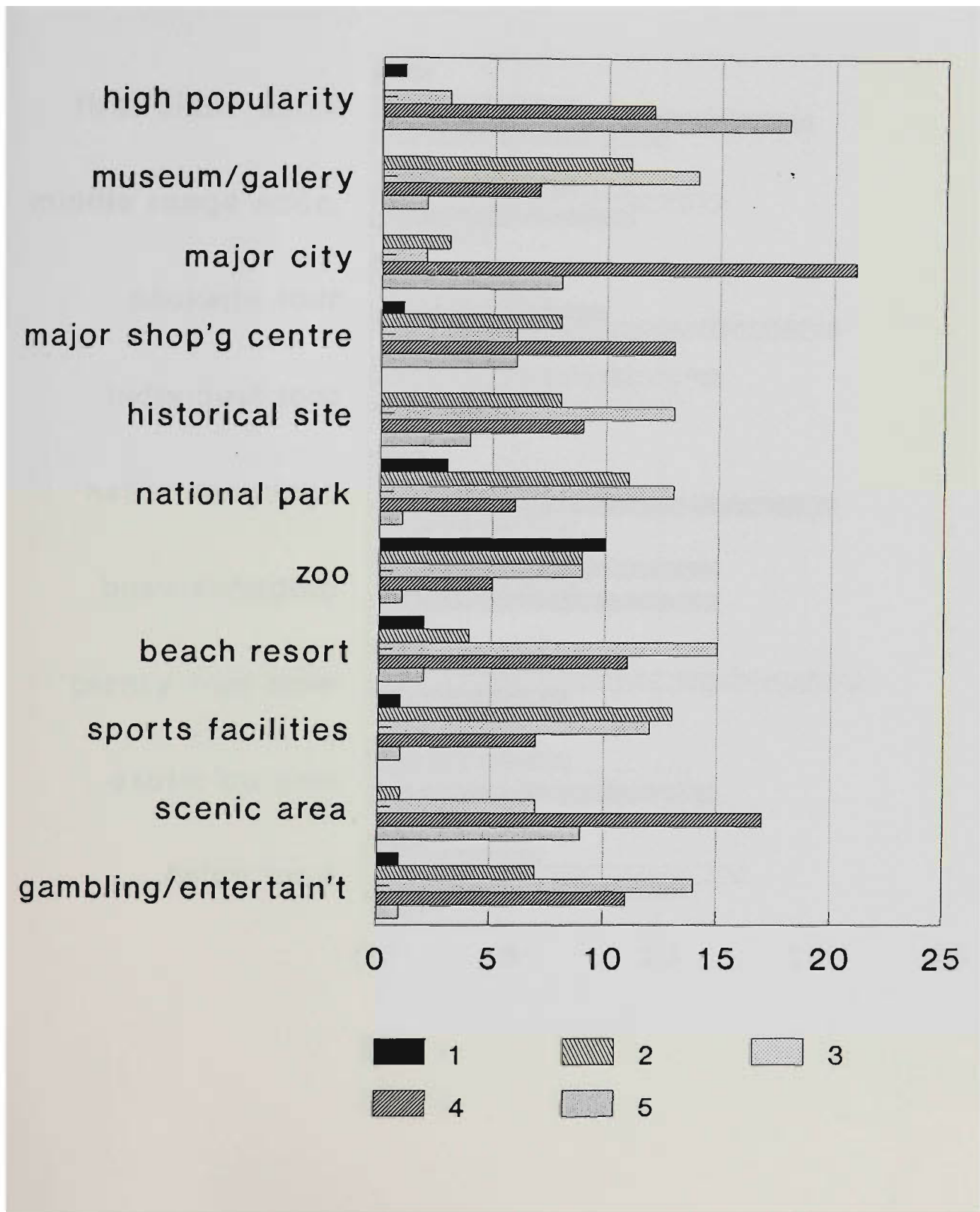
FREQUENCY DISTRIBUTION OF Q1



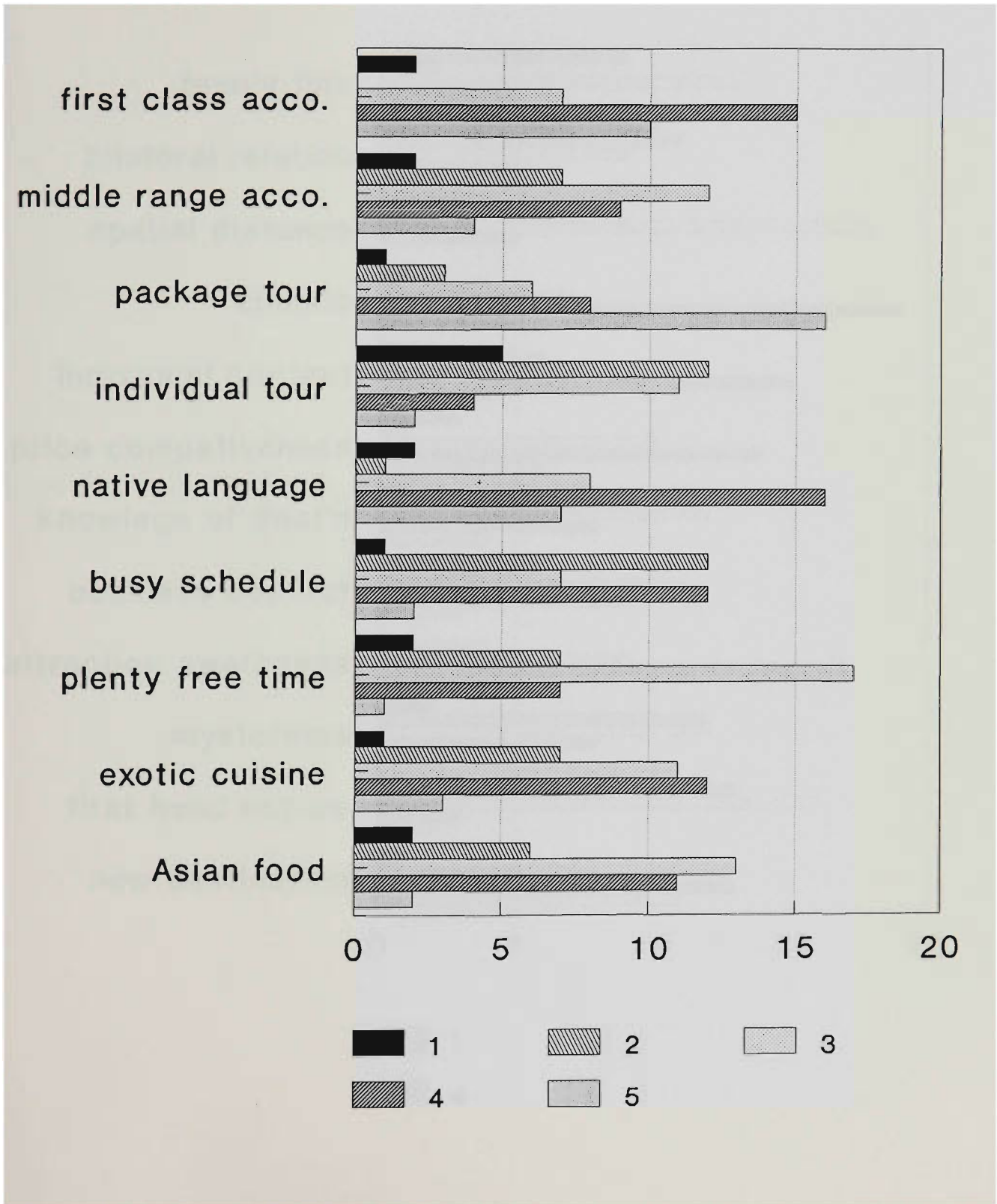
FREQUENCY DISTRIBUTION OF Q2



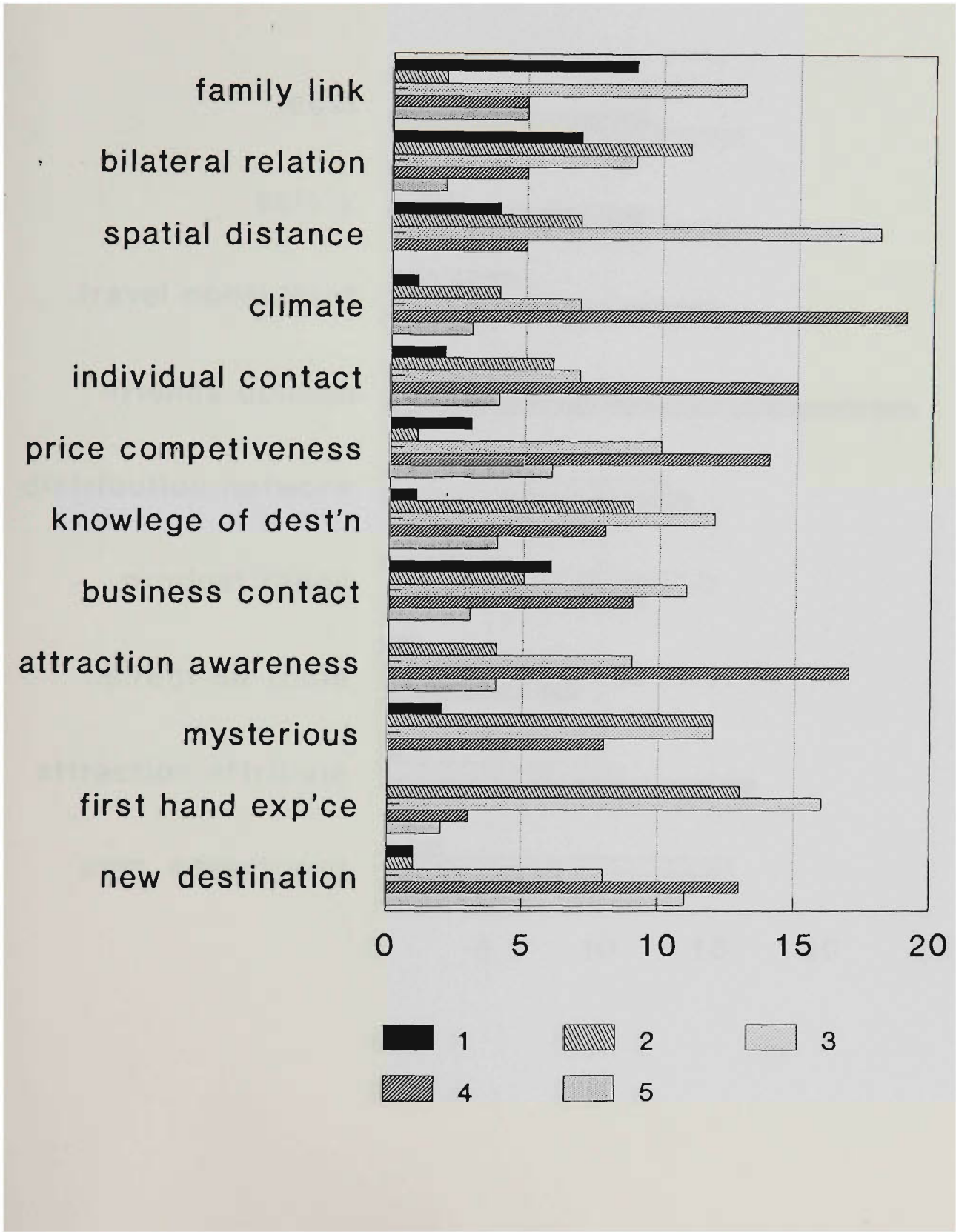
FREQUENCY DISTRIBUTION OF Q3



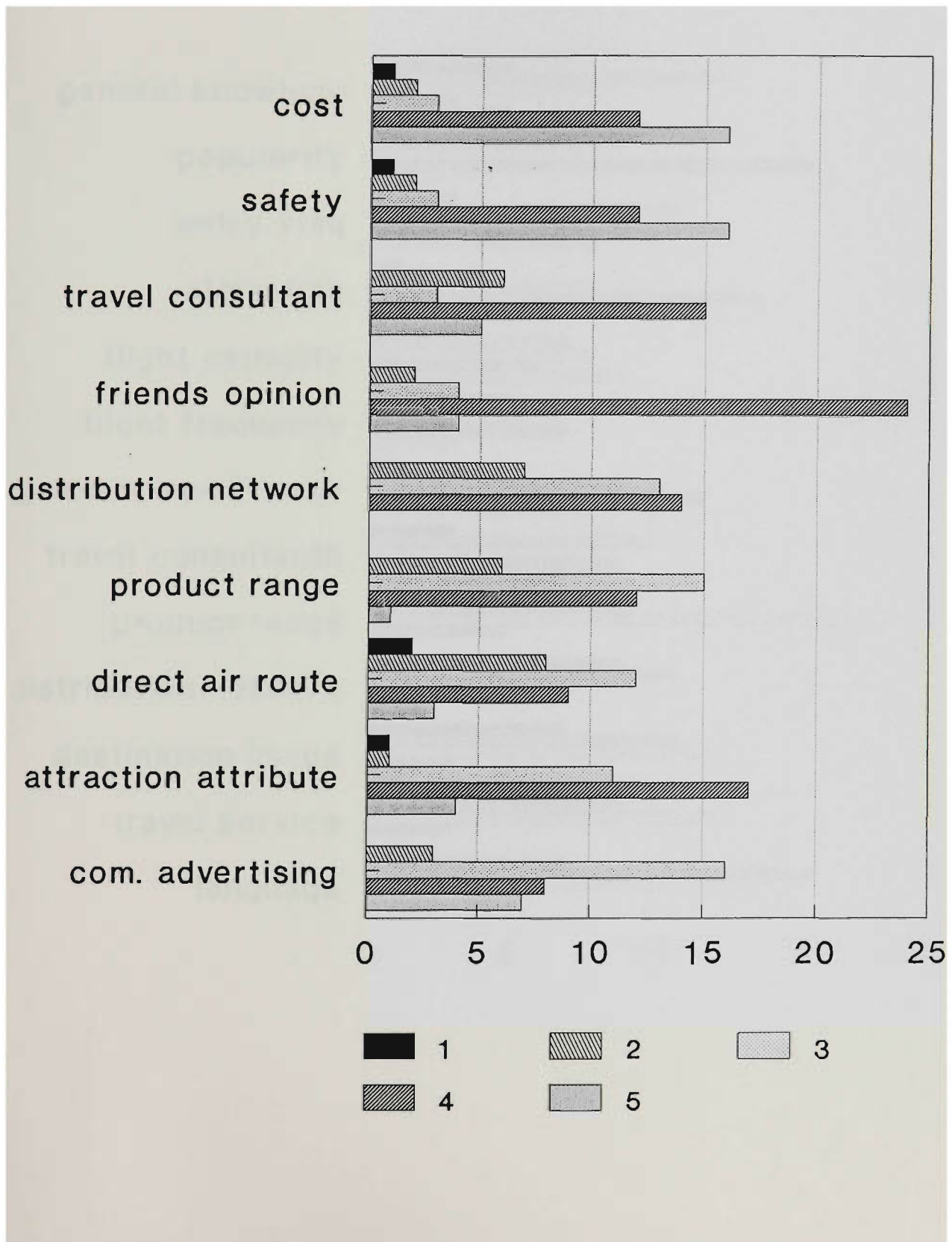
FREQUENCY DISTRIBUTION OF Q4



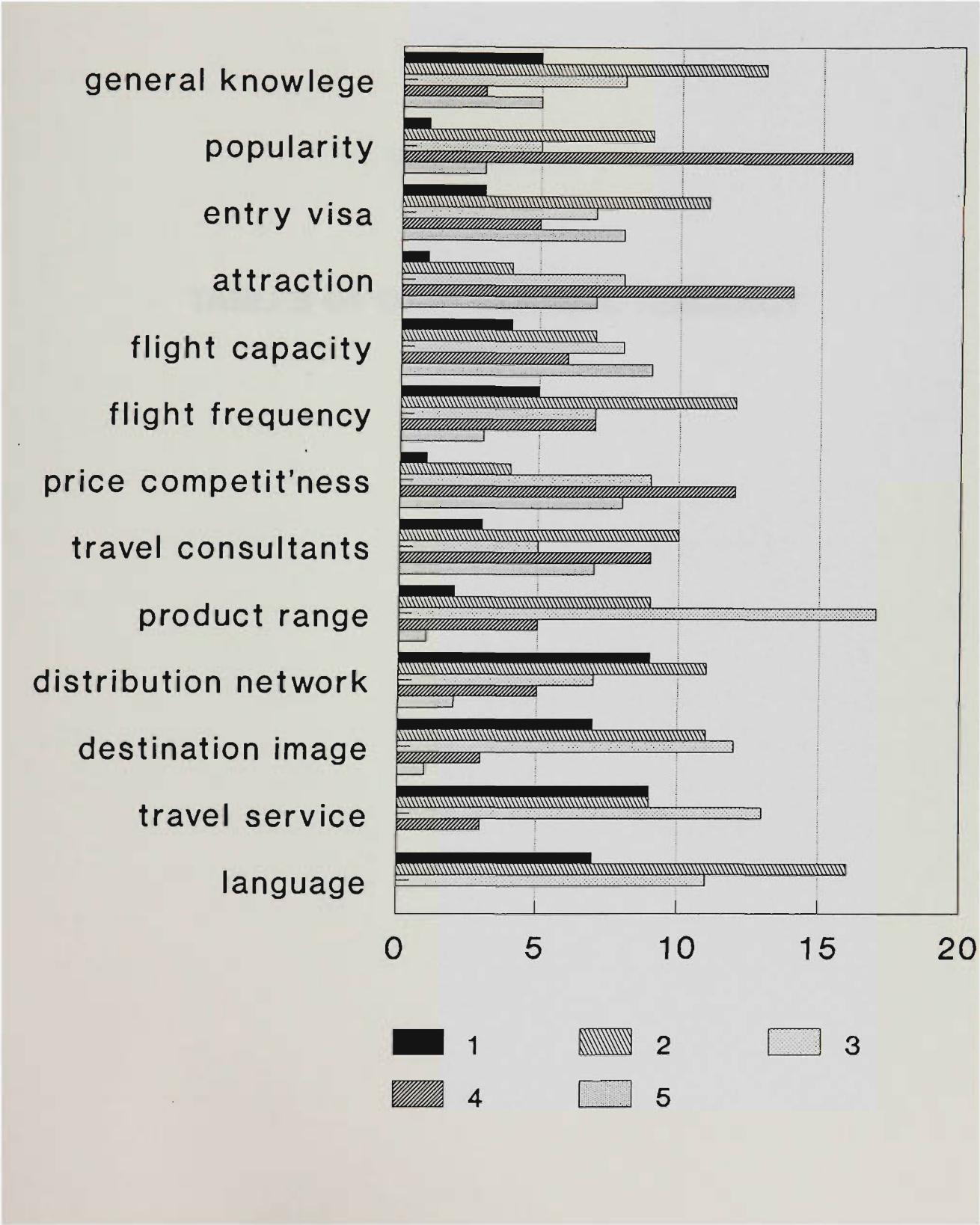
FREQUENCY DISTRIBUTION OF Q5



FREQUENCY DISTRIBUTION OF Q6



FREQUENCY DISTRIBUTION OF Q7



APPENDIX E -

TABLES OF DATA CENTRAL TENDENCY

DATA CENTRAL TENDENCY

Variable	Average	Japan	S.Korea	H.K.	Taiwan
1.1	2.8	3.2	2.5	3.5	1.3
1.2	2.4	2.4	1.5	2.7	3.0
1.3	2.0	1.9	1.5	2.3	2.5
1.4	2.3	1.3	3.5	1.6	3.3
1.5	2.7	2.3	4.1	2.1	2.7
1.6	3.2	3.4	3.1	2.6	3.8
1.7	2.5	2.8	2.0	2.3	3.2
1.8	2.7	3.9	1.6	2.3	3.2
1.9	2.6	3.1	1.8	2.1	4.0
1.10	2.1	2.2	2.4	1.9	1.8
2.1	4.1	4.3	4.4	3.5	4.3
2.2	3.3	2.8	3.8	3.1	3.8
2.3	2.8	3.1	2.3	2.6	3.2
2.4	3.4	4.0	3.3	3.0	3.2
2.5	2.7	2.2	1.5	3.8	3.0
2.6	3.3	3.9	3.5	2.5	3.5
2.7	2.9	2.6	3.1	2.7	3.3
2.8	3.8	4.2	3.8	3.7	3.3
2.9	2.1	1.6	1.9	2.5	2.3
2.10	2.6	1.9	2.6	2.9	2.8
2.11	3.0	2.4	2.9	3.4	3.5
2.12	2.1	1.1	1.1	3.4	2.8
3.1	4.4	4.3	4.9	4.0	4.3
3.2	3.0	2.8	3.1	3.0	3.2
3.3	4.0	3.7	4.3	3.8	4.5
3.4	3.4	3.6	3.5	3.0	4.0
3.5	3.3	3.1	3.8	3.4	2.7
3.6	2.7	3.0	2.8	2.4	3.0
3.7	2.4	2.3	2.1	2.5	2.3

3.8	3.2	3.7	3.1	3.3	2.5
3.9	2.8	3.0	2.5	2.9	2.8
3.10	4.0	4.0	4.5	3.7	3.8
3.11	3.1	3.2	2.8	3.2	3.3
4.1	3.9	4.0	4.6	3.5	3.5
4.2	3.2	3.1	1.9	3.6	4.2
4.3	4.0	3.1	4.9	3.9	4.5
4.4	2.6	2.6	1.6	3.4	2.5
4.5	3.7	3.9	3.8	3.4	4.2
4.6	3.1	2.6	3.5	2.7	3.8
4.7	2.9	3.0	2.9	3.4	2.2
4.8	3.3	3.2	3.6	3.2	3.0
4.9	3.1	2.7	3.3	3.0	4.0
5.1	2.9	2.6	2.6	3.4	2.7
5.2	2.5	2.8	3.0	2.2	2.2
5.3	2.7	3.0	2.8	2.6	2.3
5.4	3.6	3.7	3.1	3.5	4.0
5.5	3.4	3.6	3.6	3.5	2.7
5.6	3.6	3.8	4.3	3.8	1.8
5.7	3.1	2.4	3.5	3.5	3.0
5.8	2.9	2.4	4.0	2.8	2.5
5.9	3.6	3.7	4.1	3.4	3.3
5.10	2.8	2.1	3.0	3.0	3.0
5.11	2.8	3.0	2.8	2.6	3.0
5.12	3.9	4.1	4.5	3.5	3.8
6.1	4.2	4.1	3.9	4.4	4.3
6.2	4.2	4.4	3.8	4.1	4.5
6.3	3.6	3.7	3.6	3.4	3.7
6.4	3.9	4.1	4.3	3.4	4.0
6.5	3.2	2.8	2.9	3.5	3.8
6.6	3.2	3.1	2.8	3.5	3.7
6.7	3.1	3.6	2.9	3.1	2.7
6.8	3.6	3.6	3.9	3.6	3.5

6.9	3.6	3.7	3.6	3.4	3.7
7.1	2.7	2.2	3.9	2.3	2.7
7.2	3.3	2.3	4.0	3.5	3.7
7.3	3.1	1.9	3.8	3.1	4.2
7.4	3.6	3.3	4.3	2.9	4.7
7.5	3.3	2.6	4.0	2.5	4.7
7.6	2.7	2.6	3.0	2.1	3.8
7.7	3.6	3.7	3.4	3.7	3.8
7.8	3.2	3.2	3.6	2.1	4.7
7.9	2.8	2.8	2.8	2.5	3.7
7.10	2.4	2.0	2.1	2.2	3.8
7.11	2.4	1.9	2.9	2.6	2.2
7.12	2.3	2.9	2.1	2.3	1.7
7.13	2.1	2.7	2.0	1.8	2.0

DESCRIPTIVE ESTIMATES

Variable	Average	Median	STD
1.1	2.8	3	1.166
1.2	2.4	2	1.018
1.3	2.0	2	.937
1.4	2.3	2	1.382
1.5	2.7	2.5	1.399
1.6	3.2	3.5	1.313
1.7	2.5	3	1.187
1.8	2.7	2	1.567
1.9	2.6	2	1.348
1.10	2.1	2	1.083
2.1	4.1	4	.983
2.2	3.3	3	1.268
2.3	2.8	3	1.207
2.4	3.4	3.5	1.276
2.5	2.7	2	1.291
2.6	3.3	4	1.352
2.7	2.9	3	1.066
2.8	3.8	4	1.148
2.9	2.1	2	1.138
2.10	2.6	2	1.235
2.11	3.0	3	1.029
2.12	2.1	2	1.209
3.1	4.4	5	.884
3.2	3.0	3	.887
3.3	4.0	4	.816
3.4	3.4	4	1.133
3.5	3.3	3	.963
3.6	2.7	3	.963
3.7	2.4	2	1.151
3.8	3.2	3	.946

3.9	2.8	3	.903
3.10	4.0	4	.778
3.11	3.1	3	.879
4.1	3.9	4	1.026
4.2	3.2	3	1.086
4.3	4.0	4	1.141
4.4	2.6	2.5	1.076
4.5	3.7	4	1.024
4.6	3.1	3	1.042
4.7	2.9	3	.885
4.8	3.3	3	.994
4.9	3.1	3	.988
5.1	2.9	3	1.373
5.2	2.5	2	1.160
5.3	2.7	3	.871
5.4	3.6	4	.927
5.5	3.4	4	1.101
5.6	3.6	4	1.106
5.7	3.1	3	1.048
5.8	2.9	3	1.229
5.9	3.6	4	.853
5.10	2.8	3	.889
5.11	2.8	3	.833
5.12	3.9	4	.982
6.1	4.2	4	1.028
6.2	4.2	4	1.028
6.3	3.6	4	.959
6.4	3.9	4	.695
6.5	3.2	3	.769
6.6	3.2	3	.780
6.7	3.1	3	1.055
6.8	3.6	4	.848
6.9	3.6	3	.927
7.1	2.7	2	1.268

7.2	3.3	4	1.065
7.3	3.1	3	1.343
7.4	3.6	4	1.041
7.5	3.3	3	1.377
7.6	2.7	2.5	1.213
7.7	3.6	4	1.069
7.8	3.2	3	1.320
7.9	2.8	3	.869
7.10	2.4	2	1.209
7.11	2.4	2	1.018
7.12	2.3	2	.970
7.13	2.1	2	.728