Tourism column:
Study to help determine how best to market to Chinese
By Richard N. Velotta
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I never thought much about traveling to Asia until the day former Sun Executive Editor Mike O’Callaghan called me into his office one day and asked me if I’d like to go to Taiwan as part of a program the Taiwanese government had developed to show off the nation’s manufacturing capabilities to foreign journalists.
After arriving, seven other writers from around the world and I decided to make a side trip to Taipei’s “Snake Alley,” where merchants offer virility potions mixed with snake blood. It was the closest I, a herpetophobe, had been to a live, uncaged, seemingly irritated king cobra.
But what an adventure, exploring a culture I knew little about. I can thank Gov. Mike for fueling a new desire to see more of the places that were destined to have an economic effect on our lives.
Since that trip to Taipei, I have been fortunate enough to travel with Gov. Bob Miller and Sen. Bill Raggio to Japan in their bid to recruit Japan Airlines to offer nonstop flights between Tokyo and Las Vegas, and with Lt. Gov. Lorraine Hunt-Bono to Beijing to promote Nevada’s tourism office there and to seek nonstop air service between China and Las Vegas. I also covered the opening of Wynn Macau and went to Singapore to see progress on the construction of the Marina Bay Sands project by Las Vegas Sands.
Each trip included at least a day of sightseeing and exploring the culture of the country I was in. Exploring and experiencing a foreign country is an important aspect of tourism. While Las Vegas is widely viewed as a gambling resort experience domestically, the city also is an ideal base of operations for foreigners who want to sample the American experience. Las Vegas is a short plane ride from the Grand Canyon and a variety of national parks. Through the eyes of some foreign tourists, Las Vegas also is a part of the cowboy culture. Nevada’s scenic wide-open spaces is in the center of the American West.
The Las Vegas Convention and Visitors Authority has made one of its missions to encourage more international tourism because foreign visitors stay longer and spend more money when they do. But how big is our welcome mat? What are foreigners’ perceptions of the United States and Las Vegas?
Two professors at the University of South Carolina recently completed a study comparing the Chinese and U.S. outbound markets. Dr. Rich Harrill and Dr. Xiang “Robert” Li have documented perceptions Chinese have of America and compared them with American perceptions of China.
The end goal was to compare the perceptions and figure out how to educate prospective travelers about the two countries.
Some highlights from the report:
• When given a list of words, the 7,000 Chinese citizens surveyed most commonly described the U.S. as “dominant,” “successful” and “expensive.” Comparatively, of the 3,200 U.S. tourists surveyed about China, “unique,” “expensive” and “exciting” were the top characteristics cited. Tourists from both countries described the opposite destination as “unfamiliar” and “unsafe.”
• When asked about what images or characteristics come to mind when thinking of the U.S. as a travel destination, “economically developed,” “democracy/freedom” and “Statue of Liberty” were the top responses among 1,600 Chinese travelers interviewed. Top identifiers of China in U.S. tourists’ minds were “the Great Wall,” “crowded/population” and “Chinese food.”
• New York City, Hawaii and San Francisco were the top three destinations identified by Chinese tourists. U.S. tourists identified the Great Wall, Beijing and Hong Kong as the top three destinations.
• For Chinese tourists interested in visiting the U.S., the top three motivations are “seeing something new and different,” “learning and discovering” and “experiencing a different culture.” U.S. tourists’ interest in visiting China named “culture,” “different things” and “history” as primary motivations.
• Overall, Chinese travelers held a significantly more positive impression of the U.S. versus U.S. tourists’ view of
China. One a scale of 1 to 10, with 10 being the most positive, Chinese tourists rated the U.S. 7.68, while U.S. tourists rated China 5.14.
Li said Las Vegas, which finished in the top 10 among desired destinations for Chinese tourists, appeals because of its casinos and gambling, which are forbidden everywhere in China except Macau.
“At home, gaming is not an option,” Li said. “For the Chinese tourist, it’s an escape and not something they can get in their residential areas. Visiting casinos and gaming is one of the big selling points of the United States, and Las Vegas has made a big contribution to that.”
Li also said the cowboy culture, romanticized by television westerns, is also appealing to the Chinese. But many of them have to explore their research to determine that there is plenty of cowboy culture in Nevada. Li said they more immediately recognize Dallas and Houston as the iconic centers of the American West.
Although Hollywood has painted a romanticized picture of the West, it also has contributed to the image of the United States being a dangerous place.
“Hollywood provides some interesting images for them,” Harrill said. “A lot of people there think everybody here has a gun. They think it’s pretty violent on the streets like they see in the movies. It paints a very violent picture of this country.”
Harrill said he plans to offer the report and data to the Corporation for Travel Promotions, headed by Las Vegas-based time-share resorts executive Stephen Cloobeck. Formed by the Travel Promotions Act, the corporation is developing a marketing plan for tourism in the United States to be presented in targeted foreign countries.
With 22 million people in China capable and willing to travel and 11.5 million of them expressing an interest in overseas journeys, China seems like a likely target for the corporation’s marketing promotions.
Knowing what message to send will be key to getting those visitors to experience our culture.
Refining the checkpoint
There has to be a better way of screening passengers at our airports.
Frequent fliers have been saying that for nearly a decade after the Transportation Security Administration was formed two months after 9/11.
Last week, the U.S. Travel Association unveiled what it calls the most significant review of the TSA since its formation, offering a report outlining suggestions to improve the air travel experience. It’s important to Las Vegas because the city’s highest spending visitors arrive by air.
The two biggest recommendations outlined in the report, “A Better Way: Rebuilding a World-Class System for Aviation Security,” include the creation of a trusted traveler program and a controversial suggestion to require that all airlines offer at least one bag to be checked at no additional cost to the traveler.
“While our government and passengers deserve credit for preventing another terrorist attack like what happened nearly 10 years ago on 9/11, each day in the United States roughly 2 million air travelers are advised to arrive upward of two hours before a flight in order to be processed through a one-size-fits-all security screening system,” said Roger Dow, president and CEO of the association.
“The country that put a man on the moon, invented the Internet and creates daily innovations in manufacturing can and must do better in screening passengers and improving our air travel experience,” he said.
Dow said the association research indicates that travelers avoid two to three trips per year because of unnecessary airport hassles costing the economy an estimated $85 billion.
The association has been a longtime advocate for a risk-based trusted traveler program and is asking Congress to authorize the TSA to implement a new, voluntary, government-run program that focuses on a risk-based approach to checkpoint screening so that screeners can pay more attention to and resources on the highest risk passengers.
Eventually, the report says, a trusted traveler program could include qualified international passengers.
The most controversial recommendation involves the encouragement of fewer carry-on bags on flights. The association recommends the Transportation Department “issue regulations requiring airlines to allow passengers one checked bag as part of their base airfare and standardize existing rules covering the quantity and size of items that can be carried onto an airplane.”
A trade association representing leading U.S. air carriers immediately ripped the Travel Association’s recommendation on forcing airlines to let at least one bag fly free.
The Air Transport Association of America, which represents about 90 percent of all U.S. airline passenger and cargo traffic, including the five busiest air carriers at McCarran, issued a statement emphasizing its opposition to the baggage suggestion.
“Consumers have been the big winners from a quasi-deregulated, highly competitive airline industry and government taking a huge step backward and dictating how airlines deliver and price their products and services as the USTA suggests, diminishes customer choice and competitive differentiation among carriers,” the statement said. “Such a move benefits no one and unfortunately detracts from important aspects of their recommendations.”
It appears lawmakers have the next move.
Passenger traffic at McCarran did something in February that hasn’t occurred in more than a year — back-to-back months of growth.

The airport followed January’s 5 percent increase in traffic over January 2010 with a 2.4 percent increase in February over the same month a year earlier to 2.9 million passengers. But there’s still a lot of recovery to go. The February 2007 count was 3.5 million, or 15.8 percent more than last month.

McCarran market leaders Southwest and Delta are again seeing passenger increases while No. 3 US Airways and No. 4 United declines have continued.

International passenger counts seem to have leveled off after a healthy 2010. In February, the number of international passengers fell 4.2 percent compared with February 2010 to 174,650. For the first two months of 2011, international passenger counts are down 2.3 percent.

The Western High Speed Rail Alliance, a collaboration of five transportation authorities in Nevada, Arizona, Colorado and Utah, is asking lawmakers to amend a law that would enable it to apply for federal high-speed rail funding that has been rejected by the governors of some states.

Current law allows only states to apply for the grants and not multiple-state organizations such as the alliance.

A letter to Sens. John Rockefeller and Kay Bailey Hutchison, the chairman and ranking member of the Senate Commerce, Science and Transportation Committee and to Reps. John Mica and Nick Rahal, the chairman and ranking member of the House Transportation and Infrastructure Committee, asks that lawmakers consider consortiums for funding.

The alliance said it believes “that permitting (metropolitan planning organizations) and other entities with substantial transportation planning experience to apply directly for federal high-speed rail funds would incentivize cooperation among regions, advance the intensity of high-speed rail planning in the U.S. and provide for ‘last-mile’ corridors within our jurisdictions that connect to other modes of transportation.”

The alliance envisions seven high-speed rail corridor city pairs in an effort to build a nationwide network. The seven pairs on the list are Reno-Sacramento, Reno-Salt Lake City, Denver-Salt Lake City, Phoenix-Los Angeles, Phoenix-Las Vegas, Salt Lake City-Las Vegas and Victorville-Palmdale, Calif. The organization is assuming a link between Las Vegas and Southern California will go forward as well the California high-speed rail system.

Even though Chinese would prefer to visit Las Vegas over Macau and the US over Europe, our own US government policy causes them to line up for blocks outside the Louis Vuitton store in Paris and pay $350 a night minimum for a hotel room in Macau. Each million Chinese that the US government prevents from visiting Las Vegas costs our city at least $2 billion. Macau raked in $24B last year in gaming alone and was up 30% in January and 40% in February. Las Vegas won $7B in 2010 and was down 2.5% in January. US government policy combined with a sleeping Convention and Visitors Authority are costing Las Vegas tens of billions of dollars each year.

Besides being preferred and being cheaper than Macau, a visit to Las Vegas is unfettered by ANY restrictions imposed by the Chinese government. By contrast, a visit to Macau requires Chinese to secure a special permit from the government of China which limits visits to 1 visit each 3 months and includes a prohibition from visiting Hong Kong on the same trip.

Las Vegas has one problem--a US government prone to shooting itself in the foot--and one solution: more visas, not only for China, but for all countries whose economies are booming. A simple rule change in Washington will create a worker and hotel room shortage in Las Vegas overnight. When this happens the future boom will dwarf anything that has happened in Las Vegas in the past, because foreigners now have nearly ten times the wealth of Americans and because Las Vegas is the one city everyone wants to visit. And if Las Vegans then take the time and caring to learn other languages and cultures, this boom will not only happen in Las Vegas, but will stay in Las Vegas.