TRENDS IN OUTBOUND GROUP PACKAGE TOURS IN CHINA AND TAIWAN: A MARKETING MIX PERSPECTIVE

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In many Asian economies such as Taiwan, Japan, Hong Kong, Korea, and China, the group package tour (GPT) is one of the main modes of outbound travel. In order to explore the emerging trends, two major outbound travel markets—Taiwan and China—were selected for investigation. In total, 30 in-depth interviews with either General Managers or Presidents of well-known travel agencies were conducted in Taipei and Beijing. The GPTs have a similar pattern for both Taiwanese and Chinese but, interestingly, are at a different stage of development. This information should serve as a valuable reference to Taiwan and China, to destination countries that depend heavily on the Chinese market, and to management teams in relevant travel industries.

Key words: Emergent trends; Group package tour (GPT); Marketing mix; Taiwan; China

Introduction

Asian countries have witnessed dramatic growth in outbound travel in recent years, fuelled by the region's rapid economic growth and rising income levels (Hall, 2000; March, 1997). In many Asian economies, such as Taiwan, Japan, Hong Kong, Korea, and China, the group package tour (hereafter abbreviated GPT) is one of the main modes of outbound travel (March, 2000; Nozawa, 1992;

Prideaux, 1998; Taiwan Tourism Bureau, 2004; Wang, Hsieh, & Huan, 2000; Wang, Hsieh, Yeh, & Tsai, 2004; Wang & Sheldon, 1995; Yamamoto & Gill, 1999). Chinese tourists, by and large, choose all-inclusive tour packages more frequently than Western tourists (Teng, 2005; Wong & Lau, 2001). As indicated in *The Annual Survey Reports on Republic of China Outbound Travelers* (Taiwan Tourism Bureau, 2006), outbound tourists in Taiwan numbered 87.07 million from 1992

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to 2005. Of those traveling for sightseeing purposes, almost half were involved in GPT. According to *The Year Book in China Tourism* (China National Tourism Administration, 2005, 2006), the number of outbound tourists from China reached 31.02 million in 2005, which was much higher than 28.85 million in 2004. Of these, over 6.79 million travelers participated in GPT, and the number of tourists for outbound GPT is continuously increasing (Figs. 1 and 2). What is worth noting is that during the period of 2001 and 2003, the growth of outbound GPT for China was sluggish, and Taiwan actually experienced negative growth resulting from the traumatic influence of two international events: September 11 attacks in 2001 and the SARS epidemic outbreak in 2003 (Fig. 2). However, the entire outbound travel market from China was growing in 2003 (Fig. 1), and this situation could be explained by the rapid growth of individual travelers due to the fast economic development in China. In any event, the up-to-date numbers of GPT travelers are substantive.

According to the above information, both Taiwan and China are important outbound GPT markets. For instance, 88.6% of Chinese outbound tourists choose group tours when they visit South-

east Asia (Teng, 2005). Asia travel managers in Taiwan, China, and many other destination countries such as Japan, Korea, and Malaysia have placed a high priority on attracting Chinese tourists. These managers could benefit from an understanding of the differences between the emerging trends in group package tours in these two markets. By understanding trends, leaders are likely to take advantage of future situations. Although this has been done for hospitality professionals (Olsen, 1999), similar studies of the changing travel market are few and thus merit attention here.

Every organization has a marketing mix. The marketing strategy factors (the Ps of marketing) of a marketing mix are essential components that are used to satisfy different needs of customers (Morrison, 2002). As a result, the conceptual foundation of this research is a marketing mix as applied to trends in GPTs from Taiwan and China. Through examination of changes in the marketing mix, travel managers and travel agencies in both places can have a better understanding of future desirable travel products and information needs.

Researchers have pointed out a divergence in tourist activities in different cultural groups (Ahmed & Krohn, 1992; Pizam & Reichel, 1996).

Figure 1. The outbound tourists from Taiwan and China, 1994–2005. Source: China National Tourism Administration (1995–2006); Taiwan Tourism Bureau (2006).

Figure 2. The outbound GPT tourists from Taiwan and China, 1994–2005. Source: China National Tourism Administration (1995–2006); Taiwan Tourism Bureau (2006).

Conversely, it is implied that tourists' behaviors may be comparable if they share a similar culture. Wang, Hsieh, and Chen (2002) and Wang et al. (2004) have concluded that despite the differences in their economies and decades of political separation, the racial, cultural, and linguistic similarities between Taiwan and China are still strong enough that it is plausible to assume that their outbound GPT tourists would behave in similar ways. Therefore, a comparison between Taiwan's and China's outbound GPT was conducted. For those interested in the huge and rapidly expanding outbound market of Chinese GPTs, such a comparison may provide signposts to the directions in which the Chinese outbound market is heading.

The major objectives of this research are two-fold: (1) to explore the future travel trends for Chinese outbound GPT markets; and (2) to identify the marketing mix of outbound GPT markets in Taiwan and China. In addition, the role of government is examined. It is projected that China will be the largest generator of international tourists by 2020; a large proportion of these people will be on package tours. A thorough literature search re-

vealed no study touching upon this topic. Therefore, the authors believe that research on this topic should be of considerable value to Taiwan and China, to destination countries that depend profoundly on the Chinese market, and to managers in relevant travel industries.

Literature Review

Outbound Group Package Tour

The international tourism industry faces an increasing number of inbound travelers from Asia. Countries and territories such as Australia (Reisinger & Turner, 2002) and Guam have seen huge increases (Iverson, 1997). Besides, as a result of easing restrictions on outbound travel by China, the Chinese are likely to be enthusiastic tourists in the future. An article in *The Economist* (Anonymous, 2003) indicated that destination countries such as Germany could expect 1 million Chinese organized tour tourists by the end of this decade.

Due to the limitation in language and less international traveling experience, many travelers from Asian countries prefer to travel in GPT mode. In

addition, in most Asian countries, outbound travel can be essentially classified into two types: GPT and the foreign independent tour (hereafter abbreviated FIT). There are two main differences between GPT and FIT. First, the “buying process” is different. In the GPT buying process, the customer might buy the GPT product through third parties such as friends, relatives, parents, companies, schools, churches, or through retail travel agencies. On the contrary, FIT customers usually contact the travel agencies personally in order to get travel information and counseling (Bitner & Booms, 1981; Kent, Meyer, & Reddam, 1987; Persia & Gitelson, 1993). Second, the GPT customer relationship is mediated almost entirely through a single “contact employee.” That is, in the GPT, the travel agency would assign a tour guide to escort the tour. In some countries or cities such as Singapore, Malaysia, Thailand, Korea, Paris, Vienna, and London, local guides are also provided, but this is not necessary the case for FITs (Wang et al., 2000).

To date, the GPT has been tested empirically in terms of tourist risk (Tsaur, Tzeng, & Wang, 1997), critical service features (Wang et al., 2000), effective endorsement for the GPT (Wang et al., 2002), senior traveler behavior (Huang & Tsai, 2003), family decision maker (Wang et al., 2004), and advertising components on web pages (Wang, Chou, Su, & Tsai, 2007).

Although these above studies provided useful information regarding the GPT, they did not examine the travel market trends of the GPT. For travel marketers, to understand the trends of GPTs, this information should serve as a valuable reference for marketing planning.

Marketing Mix

The marketing mix calls upon marketing professionals to decide on the product and its characteristics, to set the price, to decide how to distribute their product, and to choose methods for promoting their product (Kotler, Bowen, & Makens, 2006). From the practitioners’ perspectives, the marketing mix is an effective tool through which the marketing concept can be applied in a firm (Möller, 2006). In essence, the fundamental marketing mix is the mixture of product, price,

place, and promotion. Although some research argues the need to expand or modify the marketing mix, the 4Ps are still well recognized worldwide and the promotion of these is particularly focused for destination marketing (Lewis & Meadows, 1995). Specifically, for destination marketers, promoting tourism destinations implies the development of communicating channels with visitors and other stakeholders to increase awareness and intention to purchase products. Place or distribution destinations often refer to sets of interdependent organizations involved in the process of making a product or service available for consumption. As such, to deliver the right products in the right place, at the right time, at the right cost, and to the right customer is the core meaning embedded in this distribution (Buhalis, 2000). Concerning the product, destinations are amalgams of various tourism facilities, amenities, and services. Like other industries, pricing is a complex process for travel and tourism industries. That is, as stated by Buhalis (2000), both macro- and microeconomics determine the pricing function of tourism organizations.

Market Segments

The essence of any marketing plan is a careful analysis of available market segments and the outcome of appropriate target markets. According to Kotler et al. (2006), the selection of market segments is the consequence of (1) understanding what the company is and what it wishes to be, and (2) studying available segments and determining if they fit the capabilities and objectives of the company to obtain and secure them. Market segments, according to the timing consideration, can be classified into a priori segmentation design and a post hoc segmentation design. The former refers to segmentation basis such as demographic variables, consumption variables, and geographic variables. The latter indicates some complex but more effective segmentation basis such as need, benefits, motivation, psychographic variables, and traveler behaviors associated with destination choice or activity participation (Formica & Uysal, 1998).

Government Role

Traditionally, in many Asian countries and areas, government plays the role of controlling agent

for outbound travel. For example, in both Taiwan and China, in the past, laws banned their people from traveling freely; however, due to the rapid economic growth, increasing amounts of disposable personal income, and the need for traveling, both Taiwan and China have progressively lifted the ban of outbound travel.

For example, in 1979, the restriction on overseas sightseeing by the residents of Taiwan was lifted, and the number of individuals going overseas increased rapidly from 321,446 in that year to 8,208,125 in 2005 (Huang, Yung, & Huang, 1996). According to the Ministry of Foreign Affairs R.O.C. (2006), citizens of Taiwan can visit 31 countries visa-free, 24 countries landing visa, one country transit without visa, and many other countries can be visited after applying for visas for business or travel purposes.

With respect to China, the opening up of the Chinese economy has led to rapid growth in inbound, outbound, and domestic tourism. Before the late 1970s, outbound leisure travel was unheard of. The China Travel Service (CTS) was then the only authorized travel agency to assist Chinese residents, mostly individuals, to visit their family members or relatives abroad (Wang & Sheldon, 1995). Following the introduction of the economic reform policy by Deng Xiao-ping in 1978 (also known as the open-door policy), tourism in China has developed rapidly and gradually become a significant economic activity (Zhang, Chong, & Ap, 1999). In 1984, in order to meet the needs of the rapidly increasing demand from tourists, decentralization of authority was granted to the local travel bureau to process visas, develop tour packages, determine prices, and independently finance their operations (Wei & Clarke, 2002).

Nevertheless, the issuance of visas is still a major barrier to China's outbound travel. At present, China citizens can travel to 81 destination countries scattered throughout Asia, Europe, Africa, and Australia (China National Tourism Administration, 2006).

Research Method

Tan and Lui (2002) indicated that a long-run trend can be explored from a marketing perspective, using qualitative research methods. Further-

more, a qualitative approach is encouraged to undertake whenever a concept or phenomenon needs to be understood since little research has been done on it (Creswell, 2003). Accordingly, such methods were selected in this study and were considered to be appropriate, given the limited quantitative information available on the topic. Specifically, the inductive approach is needed when existing theories do not apply with the particular sample or group under study (Morse, 1991). Among qualitative research methods, in-depth interviews focusing on obtaining rich and detailed information are useful for the further replication; therefore, in-depth interviews were adopted as the major qualitative method used in this study (Riege, 2003). Afterwards, content analysis was administered since it is recognized as an objective and systematic method in dealing with inductive description of the manifest content of a text (Xiao & Smith, 2006). Furthermore, under traditional content analysis, researchers are able to go through the data set so frequently that they become very familiar with it; in turn, researchers can make the transition more easily to the semiotic stage of the analysis through appropriate analytical techniques (e.g., frequency) (Mehmetoglu & Dan, 2003; Xiao & Smith, 2006).

A list for the interview was developed consisting of four parts. The first part was designed to probe the future trends in certain market segments. The second part used the eight Ps (product, price, programming, package, promotion, place, people, and partnership) of the marketing mix suggested by Morrison (2002) to explore future trends in the marketing mix. The third part explored the role of government. Finally, respondents were asked to provide information related to various sociodemographic variables including gender, educational background, and job experience. The development of each part is discussed in more detail below.

Market Segments

Due to the very large number of group travelers in outbound GPTs, Wei and Clarke (2002) suggested that segmentation of the market should be the first step of the marketing process for travel agencies. Hence, questions were developed based upon the six market segments identified by March

(2000) in the Japanese outbound market. The rationale of using March's results is that his findings of the identified segments are empirically testified with a satisfactory reliability and validity. These were: upper class, students, families, honeymooners, senior couples over 60 years of age, and office ladies. Questions were then asked such as: "What do you expect to be the future segmentation trends in the outbound GPT in Taiwan/China?"

Marketing Mix

A large part of a marketing plan should be concerned with how an organization intends to use the eight Ps of hospitality and travel marketing (Morrison, 2002). In order to explore the future marketing trend of GPTs, questions based upon both Morrison's marketing-mix elements (8Ps) and Wang et al.'s (2000) nine GPT sectors were employed. Open-ended questions were asked, such as (taking *product* as an example): "In the future, which GPT destination do you think has the most growth potential in the outbound GPT market?"

In the first and second parts of the list, all questions were designed to address both future trends of outbound GPTs in Taiwan and China. In addition, the questions were carefully designed to ensure that all wording was clear and readily understood by all parties participating in all interviews. Any possible misunderstandings resulting from any perceived cultural differences or language barriers were reduced to a minimum.

Government Role and Policy Influence

Government involvement has greatly influenced tourism development (Zhang, Chong, & Ap, 1999). Wang and Sheldon (1995) also suggested that unpredictable political affairs would impact future outbound travel, including package tours. Accordingly, questions were designed to explore what role the government plays or what policies the government may bring to the outbound GPT in Taiwan and China in the future.

Background Information

Questions relating to the data about the 30 travel executives such as gender, age, educational background, and tenure in working in the travel industry were presented.

Data Collection

Since this research was exploratory and aimed at eliciting respondents' ideas about future trends in Chinese outbound GPTs, in-depth interviews were undertaken (de Chernatony & Riley, 1999). They were conducted in Taipei and Beijing. These two cities were selected because they are the political and economic hubs of Taiwan and China. In addition, almost all the major travel agencies have offices in these two cities. In both cities, the top 15 most well-known travel agencies in both China and Taiwan, such as Chinese Citizen Travel Service (Beijing), China International Travel Service (CITS) Head Office (Beijing), Beijing Travel Group (BTG) International Travel & Tour (Beijing), Lion Travel Service Co., Ltd. (Taiwan), Perfect Travel Agency Ltd. (Taiwan), and Phoenix Tours International, Inc. (Taiwan), were invited to participate in this study (Table 1). The reason for selecting these travel agencies in Taiwan were that all of them are recommended by the Taiwan Tourism Bureau as having two criteria fully met: (1) the business is dealing with wholesale travel business, and (2) both outbound and inbound travel are substantially handled within their business scopes. In a similar vein, these standards were also applied in China due to the data equivalent concerns (Neuman, 2006).

In total, in-depth interviews with either General Managers or Presidents were obtained from all 30 travel agencies. Along with the assistance provided by three graduate students majoring in tourism from Taiwan, one of the researchers conducted interviews in both China and Taiwan. Each on-site interview lasted approximately 1 hour and the average time was 56.7 minutes in Taipei and 69.3 minutes in Beijing. Of course, telephone calls were made prior to the interviews. During the interviews, respondents were encouraged to talk as freely as they wished, with as few interruptions as possible, except when clarification was needed (de Chernatony & Riley, 1999). In terms of the data saturation concern, Bogdan and Biklen (1998) noted that around 30 interviewees were recognized as sufficient enough to reflect the general travel market trends and issues in the outbound GPT market in China and Taiwan. Collection of data was carried out over a 2-month period, commenc-

Table 1
The Selected 30 Travel Agencies in Taipei, Taiwan and Beijing, China

No.	Travel Agency (Taipei)	No.	Travel Agency (Beijing)
1	Skylark Travel Service Co., Ltd.	1	CITS Overseas Travel Co., Ltd.
2	Lion Travel Service Co., Ltd.	2	China Travel Service Head Office
3	Zion International Co., Ltd.	3	CYTS Chinese Citizen Travel Service
4	Perfect Travel Agency, Ltd.	4	CITIC Travel Co., Ltd.
5	Artisan Express Travel Service Co., Ltd.	5	China Merchants International Travel Co., Ltd.
6	Signet Travel Co., Ltd.	6	BTG International Travel & Tour
7	Richmond International Travel & Tours Co., Ltd.	7	China Peace International Tourism Co., Ltd.
8	Gloria General Travel Service Co., Ltd.	8	China Women Travel Service Head Office
9	Cosmo Express International Co., Ltd.	9	China Travel International Ltd.
10	China Times Travel Service Co., Ltd.	10	China Civil International Tourism Co.
11	Everlight Travel Service Co., Ltd.	11	Beijing North Star International Tourism Co.
12	Comfort Travel Service Co., Ltd.	12	China Railway Travel Service
13	South East Travel Service Co., Ltd.	13	Beijing Xinhua International Tours Co., Ltd.
14	Phoenix Tours International, Inc.	14	Beijing Overseas Tourism Co., Ltd.
15	Worldwide Travel Service Co., Ltd.	15	China Sunrise Travel Service

ing in January, 2004. Each interview was tape recorded and was fully transcribed afterwards.

Member Checking

Thirty interviews were tape recorded and fully transcribed. Before data analysis, the member checking was conducted to verify the trustworthiness of the interview data. All the transcripts were forwarded to each interviewee via registered letter with stamped addressed envelope to check and verify that the transcripts represent an accurate record of the interview (Decrop, 1999; Lincoln & Guba, 1985). All 30 transcripts were returned afterwards, most of them have no further amendments; only a few indicated some typing errors and imprecise sentences. As such, some transcripts were adapted and rephrased.

Data Analysis

As indicated by Holsti (1968) and Kassirjian (1977), the first step in data analysis in qualitative research is to determine the appropriate unit of analysis. Following transcription of the interviews, two judges (A and B) independently coded the transcriptions of the responses to the 25 questions of 10 dimensions into 1,513 units of analysis (765 in Taiwanese, 748 in Chinese). Upon completing the coding, the two judges, both Ph.D. students majoring in international business and having work experiences in travel agencies, compared

their judgments and resolved disagreements by discussion with the researchers. Nevertheless, some of the units varied substantially. In light of this situation, the judges and the researchers then conducted a screening procedure with the result that 41 seemingly irrelevant units were finally deleted. Thus, 1,472 units were sustained (738 in Taiwanese, 734 in Chinese) (Table 2).

Once the basic unit of analysis was established, the units were then grouped into various categories. As recommended by Weber (1990), a unit could only be assigned to one category. The judges read each unit, classified it, reread it, and, if necessary, reclassified it. In the end, from Table 2 we can tell that 456 categories emerged within 10 dimensions (segmented market, product, price, etc.) of the GPT (231 from Taiwanese, 225 from Chinese), and each of these categories was named appropriately.

After the completion of the categorization process, its reliability was tested through interjudge and intrajudge comparisons. According to Bitner, Booms, and Tetreault (1990), Bitner, Booms, and Mohr (1994), Keaveney (1995), and Ronan and Latham (1974), if the levels of agreement among the interjudge (between different judges) and the intrajudge (same judge at different times) reach 0.80, the categorization process can be regarded as being reliable. In this study, a new judge C (another Ph.D. student) was introduced in order to conduct interjudge reliability testing, and a time

Table 2
Unit of Analysis From the Content Analysis

Taiwan (Taipei)						China (Beijing)					
Sectors ^a	Original Units	Removed Units	Remaining Units	Category	% ^b	Sectors ^a	Original Units	Removed Units	Remaining Units	Category	% ^b
<i>Q</i> ₁	132	0	132	26	11.26	<i>Q</i> ₁	143	1	142	27	12.00
<i>Q</i> ₂	85	4	81	42	18.18	<i>Q</i> ₂	64	3	61	40	17.78
<i>Q</i> ₃	72	5	67	24	10.39	<i>Q</i> ₃	78	0	78	21	9.33
<i>Q</i> ₄	157	4	153	55	23.81	<i>Q</i> ₄	157	9	148	49	21.78
<i>Q</i> ₅	26	0	26	8	3.46	<i>Q</i> ₅	23	0	23	10	4.45
<i>Q</i> ₆	59	0	59	16	6.93	<i>Q</i> ₆	67	0	67	12	5.33
<i>Q</i> ₇	33	0	33	8	3.46	<i>Q</i> ₇	34	0	34	9	4.00
<i>Q</i> ₈	51	2	49	10	4.33	<i>Q</i> ₈	67	0	67	14	6.22
<i>Q</i> ₉	96	8	88	25	10.82	<i>Q</i> ₉	58	1	57	23	10.22
<i>Q</i> ₁₀	54	4	50	17	7.36	<i>Q</i> ₁₀	57	0	57	20	8.89
Total	765	27	738	231	100.00	Total	748	14	734	225	100.00

^a*Q*₁: Market segments; *Q*₂: Product; *Q*₃: Price; *Q*₄: Programming; *Q*₅: Package; *Q*₆: Promotion; *Q*₇: Place; *Q*₈: People; *Q*₉: Partnership; *Q*₁₀: Government and policy issues.

^b% = Category/Total amount of category (Taiwan: 231, China: 225).

lag of 2 weeks was employed for the intrajudge (A and B) reliability testing, as suggested by Davis and Cosenza (1993). Judge C categorized 1,472 units into the previous 456 categories that had been developed by judges A and B and was encouraged to create new categories if required. Finally, the tests of interjudge reliability for judge C and intrajudge reliability for judges A and B were all above 0.80 and three new categories were added (housewife and female markets for the market in Taiwan and business trip for the market in China).

Results

The two places, by and large, are quite similar with respect to the demographic characteristics of respondents. For instance, the 30 respondents were overwhelmingly males (over 80% in both Taiwan and China). Most respondents had a university degree (53.3% for Taiwan, 81.3% for China). The majority had worked in the travel industry for 10 years or more (over 80% in both Taiwan and China). Thus, any differences in the results are unlikely to be a consequence of the characteristics of respondents.

With reference to the outcomes of face-to-face interviews, the following descriptions are comprised of 10 categories of future trends of GPTs in both Taiwan and China.

Segmented Markets of GPTs

By and large, markets are diverse and hence no significant agreements were reached among Taiwan interviews. However, the interviewed key persons of Taiwan travel agencies (26.67%) asserted that the “senior market” is an important segment in the future for GPTs. The reason is that Taiwan’s government has encouraged people to apply for early retirement, thus resulting in more available time for GPTs for senior tourists. As for China’s GPT market, “upper class people” (46.67%), “family market” (46.67%), and “middle class people” (46.6%) are recognized as promising markets for China travel agencies. Since the Chinese society is family oriented, it is likely that a family will participate in GPT.

Products of GPTs

Both Japan (28.4%) and Europe (13.6%) were considered important travel destination product lines for Taiwanese. The former provides the positive image for Taiwanese due to its good security, overall cleanliness, and aggressive promotion; the latter enjoys the reputation of rich cultural resources. In particular, Japan is a never-fading destination for senior Taiwanese who have strong emotional attachments because the majority of them received Japanese education during the colo-

nized period. China is inclined to put more emphasis on Europe (36.1%) for its unique and diverse cultural contents. As such, more product lines can be launched in Europe.

Pricing of GPTs

Respondents in Taiwan and China hold different viewpoints on future pricing trends. With regard to respondents' viewpoints in Taiwan, a majority believe that low prices will be a dominant pricing strategy in Taiwan. In order to obtain lower costs, as a result, travel agencies will probably opt for a bulk-operating style. The cost of GPT products will become lower and, thereby, will probably lead to a cut-throat competition in the market (33.3%). As stated by one Taiwan respondent, "low price is a consequential trend in the travel market, but that does not mean offering inferior products. After all, to provide competitive products by innovating high-quality products with low prices is the key point to attract consumers."

However, a number of interviewed managers in China believe that the demand-oriented strategy will be adopted in the GPT market in China (26.3%). By doing so, travel agencies in China are likely to pay more attention to consumers' level of acceptance when they decide to promote a tour package. As one respondent from China said, "consumers will have significant influence on pricing in the market after their consuming senses become more astute."

These differences might be explained by the fact that Taiwan's GPT market is more mature than China's. Consequently, fierce competition is likely to happen; in turn, low GPT prices are predicted. On the other hand, China is still in the early stages of growth in the GPT market because of the late-blooming status due to the fact that travel policy was relaxed only a few years ago. As a result, it is safer for the majority of travel agencies in China to follow the existing pricing strategy based on customers' demands.

Programming of GPTs

Programming means to design various travel programs according to the different needs of different markets. For Taiwan travel agencies, six programs are recommended in the future, which

include tours for the younger generation (15.8%), the shopping tour via travel ads on TV (26.3%), the festival-attending tour (21.1%), mini-tours (10.5%), senior citizen tours (15.8%), and specialized tours (e.g., ecology or geology) (10.5%). However, travel arrangements in Taiwan are not confined to package tours. Instead, travel products tilt more toward free travel styles in the sense that merely air fares and accommodations are included. As such, days of travel and travel contents are greatly flexible based on tourists' preferences and budgets. Such an operating model is a template for travel operators in China.

As for China travel agencies, eight different types of tours are summarized, including white-collar group tours (6.7%), the overseas exchange students' tours (13.3%), mobile tours (i.e., tourists choose to drive their own cars) (13.3%), self-arranged tours (26.7%), ecological tours (6.7%), club members' tours (20%), heritage-explorer tours (6.7%), and tours for social workers (6.7%). In the mean time, nevertheless, travel managers admit that more flexible arrangements in travel products are desired; consequently, tailor-made tours will become more and more popular in China.

Package of GPTs

Factors of a package that tourists choose outbound GPT products vary between Taiwan and China. For managers of travel agencies in Taiwan, "prices" (23.1%) and "tourism attraction" (23.1%) are listed equally as the most important factors acting to trigger tourists' purchasing intention. In contrast, the "brand" factor (21.7%) is what Chinese tourists care about the most. This consequence can be explained by the fact that the travel markets in China are still in the stage of early growth without restraining guidelines or rules; as a result, Chinese are inclined to rely on travel agencies with reputable brands rather than the ones without assured names. "Hotel" (17.4%) and "tourism attraction" (17.4%) factors are equally mentioned as the second most important factor when Chinese choose the GPT products. Perhaps, Chinese tourists tend to seek more diversified accommodations and sightseeing places as their travel information expands. Hence, their demands toward hotels and tourism sites are increasing.

Promotion of GPTs

80% of the Taiwanese respondents believe that Internet marketing is the major means to promote travel products in the future. It is likely that some Internet companies will have strategic alliances with travel agencies in terms of the promotional cooperation. However, 66.7% of the Chinese respondents indicate that printed ads are the most important promotional tactic used by travel agencies in China.

Place of GPTs

Among 15 interviewed travel agencies in Taiwan, almost half (46.7%) expressed the wish to concentrate their business directly on customers. They are optimistic about this belief due to the growing situation of the personal usage of Internet travel booking. In contrast, one third of Chinese travel agencies are inclined to stay with the wholesaler's role in maintaining the competitive price. By doing so, they have confidence in the profitability of future travel business by exploiting economies of scale; that is, they intend to stay competitive by getting business through the channel of other travel agencies.

People of GPTs

In Taiwan, over half of travel agencies are likely to use free lancers as travel guides (55.5%). In contrast, the majority of travel agencies in China still wish to use their own employees as travel guides (80.7%). Chinese travel managers advocate that employees are much easier to reassign when companies try to make direct requests in a more hierarchical society such as China, compared to the situation of using the free lance travel guides. However, both sides agree that the guest comment card is a useful management tool to probe any feedbacks from group tour guests such as complaints and suggestions.

Partnership of GPTs

In terms of the travel resources for GPTs, airline tickets are one of the most important components. Unlike the hotel industry, which can easily "walk the guest" if hotel rooms are oversold, airlines are not that easily substituted if no seats on

certain flights of specific routes and dates are available for travel agencies. Thus, both travel managers in Taiwan and China (80%) state that it is imperative that travel agencies should maintain solid relationships with the airline companies with whom they deal. However, good cooperative partnership should be also sustained among travel agencies themselves and other partners such as the NTO (National Tourism Organization), local travel agencies, and other travel companies.

Involvement of Governments

With reference to the role that each government plays, most of the travel managers (33.3% in Taiwan; 46.7% in China) predict that the government is going to put first priority in protecting customers' rights when traveling abroad. Chinese travel agencies are particularly optimistic in believing that the government will delegate more freedom in the future. In general, both sides hold positive perspectives toward the growth of GPTs since travel products have become an important part of many human lives instead of being recognized as a luxury good as before.

In summary, in the future, the white-collar, seniors, and in-company GPT are expected to be important markets in Taiwan, whereas the upper class, family, white-collar, and seniors will be important markets for China. The following sections are elucidated point by point on future travel market trend sectors in order to present the findings in more detail.

Discussion

In addition to afore-mentioned results, different viewpoints exist between the respondents in Taiwan and China on the future development of outbound GPTs. Issues such as the travel operators' viewpoints of future development of outbound GPTs in Taiwan and China, the future operation model of outbound GPTs in China, and the potential impacts on Taiwan's and China's GPTs after entry into the World Trade Organization (WTO) are all examined below.

Travel Operators' Viewpoints on Future Development of Outbound GPTs in Taiwan and China

Respondents from Taiwan and China have different perspectives on the future development of

outbound GPTs. This is mainly because the outbound GPT started earlier in Taiwan than in China and, therefore, the customers and market are more mature. As for future development, Taiwan respondents are more conservative than the respondents from China who are full of confidence on the future development of the outbound GPT.

To further illustrate, from the microaspect, most respondents from China believe in a prosperous future for tourism development (Hall, 2000). For instance, increasing and easier access to information will drive consumers to be more mature in their travel consciousness. This, in turn, will encourage people to have greater demands, causing travel agencies to pay more attention to higher quality products or services of GPTs. Such circumstances will lead to a more competitive but expanding market. One of the Chinese respondents mentioned that, "consumers need to be educated: a mature market trend will only be formulated by the push of mature consumers, and demand from consumers will drive agencies to improve, thereby forming a promising market."

From the macroperspective, tourism in China was portrayed as a "pillar industry" or a "priority industry" by 24 local governments of provinces, autonomous areas, and municipalities (Liu & Wall, 2005). Wang and Sheldon (1995) have pointed out that China is currently experiencing stunning growth in outbound travel. Wang, Hsieh, Yeh, and Tsai (2004) also mentioned that China will become the largest outbound GPT export country in the world. As stated by one of the China respondents:

The future of the outbound GPT is very promising, I think. As there is such a large population in China, there will be millions of people traveling abroad provided that merely 1% of Chinese go on an outbound trip. Can you imagine how big the market might be in China?

With respect to Taiwan's future development, on the other hand, Taiwan's tourism market for GPTs is at a mature stage. Given that tourists are getting more sophisticated and more independent, travel agencies are not the only source of travel information they use. Newspaper advertisements and past holiday experience have become important sources of information (Koc, 2003). As a re-

sult, travel agencies are now facing considerable challenges. Support from government and cooperation with related organizations in establishing laws to protect rights and interests of both consumers and agencies are needed, as is professional training to improve operators' quality of service. As mentioned by one Taiwan respondent,

we really hope that government will pay more attention to the outbound GPT market and subsidize more on those high quality agencies; moreover, it is also important to educate group tourists, whereby to improve Taiwan's image in the world.

China Will Follow Taiwan's Footsteps in Developing an Outbound GPT Operating Model

Facing future trends in outbound GPTs, many Chinese respondents hold the view that the operational model of travel agencies in China and the consumers' travel attitudes in future are likely to follow those in Taiwan. For instance, as a Chinese respondent argued:

I think, tourists in China will surely request some individualized travel plans like the Taiwanese have right now. Those tailor-made travel arrangements will be more popular compared with the glimpse sightseeing of the package tours.

In reality, for travel agencies, Taiwan not only can assist China in developing its outbound GPT by transferring its mode of operation and experiences to China, but also it can promote the Taiwan outbound travel market. Furthermore, Taiwan can also benefit from the large GPT market in China. Therefore, Taiwan's travel operators place greater emphasis on the Chinese travel market.

The Influence of WTO Entry on GPTs

China and Taiwan joined the WTO almost at the same time, and the WTO entry has greatly influenced the travel agencies in both places. Most respondents indicated that increased competition would probably force travel agencies to improve the quality of their GPT products and to provide reasonable prices to customers. Some of the qualitative findings included the following comment by the Taiwanese management staff: "the government

now provides an overly loose access for foreign tour operators to enter the market [Taiwan], and this situation has been speeding up after getting into WTO, but it is good.” Another respondent from China claimed that

after getting into WTO, foreign travel agencies will have a better edge to operate than domestic ones. When they enter the China market, we have to compete with them. But, if we are on the same baseline, I think it is a good thing for everyone.

To sum up, emerging trends in Chinese outbound GPTs have been discussed by using an inductive approach, to outline how Taiwan and China operate outbound GPTs in the future. This research concludes that Taiwan is a mature market with a long history of outbound travel and relatively slow growth over the last 5 to 10 years. China, on the other hand, is experiencing a period of rapid growth. This means that Taiwan outbound tourists are likely to be more sophisticated, as a whole, than the majority of mainland Chinese, which are taking their first overseas trip. As a result, GPT tourists in Taiwan and China have different travel behaviors despite of the fact that they share similar cultural roots. The follow-up marketing strategies are likely to be different in an effort to accommodate different needs for both Taiwanese and Chinese. This information can be used by travel managers in both Taiwan and China to increase their readiness to accommodate travel market trends.

Research Limitations and Suggestions for Future Research

With respect to the research limitation, the relatively small sample size, the comparison between two cities, and a qualitative approach require that the research findings be interpreted with caution. Nevertheless, the insights obtained in the present study do provide valuable information regarding emerging trends in Chinese outbound GPTs. The following suggestions, thereby, are made for future study.

Avoid the Bias of Self-reporting

According to attribution theory (Bitner et al., 1994), people are likely to attribute positive out-

comes to internal traits (e.g., personal belief or sensible judgment) but tend to attribute negative outcomes to external forces (e.g., insufficient time allowed for interview during the office hour). As such, respondents' self-reported situation might not be the real causes of their behaviors (Folkes, 1988; Folkes & Kotsos, 1986). In addition, respondents (e.g., Asians) would probably not mention major defects in their operations in an attempt to save face (Gilbert & Tsao, 2000). Thus, for future study, it would be important to include different stakeholders, such as GPT tourists and tour leaders/guides, to provide multiple perspectives on Chinese outbound GPTs.

Further Exploration Through a Quantitative Research Approach

Keaveney (1995) pointed out that generalization of research results depends on the process of sampling and its method. In this research, sampling in China was based on “the top 100 China travel agencies,” presented by the China National Tourism Administration (2004). However, there is no official ranking information from Taiwan, leading to the fact that only the most well-known travel agencies recommended by the Taiwan Tourism Bureau were sampled. A larger sample might be used in future studies to further verify findings in a quantitative way. Also, a more parsimonious categories pool might be obtained in order to increase the explanatory significance of results and, thus, increase the practical application of the research for travel agencies' management.

Cross-Cultural Study

A respondent from China mentioned that, “the traveling style and relevant rules of Taiwan were transplanted from Japan; and yet China's were transplanted from Taiwan.” The results, however, pointed out that GPT tourists in Taiwan and China have different travel behaviors, despite the fact that they share similar cultural roots. Accordingly, it is reasonable to imply that it should be of great interest to conduct further cross-cultural studies and to make comparisons among Asian countries whose cultural differences are significant.

Conclusion

This study explores the future travel market trends for Chinese outbound GPTs. By using an inductive approach, emerging trends in Chinese outbound GPTs are discussed. The GPTs have a similar pattern for both Taiwanese and Chinese but, interestingly, are at a different stage of development. This information should serve as a valuable reference to Taiwan and China, to destination countries that rely heavily on the Chinese market, and to management teams in relevant travel industries. Furthermore, the research findings contribute to the understanding of travel market trends in the broader context of the travel and tourism industry.

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