

Focus: Hainan Province

Making plans to sail into tourism boom

TROPICAL ISLAND BEST-KNOWN AS A HAVEN FOR WEALTHY CHINESE TRAVELERS IS SEEKING TO INCREASE THE TINY PROPORTION OF INTERNATIONAL VISITORS

By **ANDREW MOODY,**
JIANG WANJUAN and **LIU XIAOLI**

China might not be most people's idea of the ultimate beach destination, but this might be about to change. The Chinese government wants Hainan, the country's only tropical island, to be an international tourism destination by 2020.

Boosting tourism on the island is part of the government's Belt and Road Initiative in terms of fostering greater cultural exchanges with other countries. The project aims to increase connectivity along the historic land and maritime Silk Roads.

Tourism has also been classed as one of China's key strategic industries and one that will play a role in the country's transformation

Comment

Taking steps to win Western tourists,

Hainan island still has a way to go,

page 19

away from low-cost manufacturing. The number of inbound overseas tourists to China was 128.5 million last year, according to government figures, and the United Nations' World Tourism Organization forecasts the country will be the world's biggest tourism destination by 2020.

Hainan, however, faces a tough challenge attracting international travelers. Last year, only 650,000, or 1.4 percent, of its 47.89 million visitors came from outside China.

The island is partly handicapped by its own success. Many wealthy Chinese have multimillion-dollar second homes and their yachts moored in Sanya, Hainan's main resort, which has become a playground of the rich.

At certain times of the year, particularly Chinese New Year, hotel room rates can skyrocket in the resort, with the starting price for a week's accommodation often reaching around 50,000 yuan (\$8,000).

This can make it an expensive destination compared with resorts in Thailand, Malaysia and the Philippines, which are also more international.

Luo Baoming, the top Communist Party official in Hainan, is keen to take on the challenge.

"To build Hainan into a world-class specialist tourist zone is vital for the province to participate in the Belt and Road Initiative," he says. "Tourism is the bridge for promoting friendship and cultural exchanges. It is the essential platform for us to be positioned on the 21st Century Maritime Silk Road."

Hainan has certainly made huge strides as a tourism center. In 1988, it took in 1.2 million tourists, with 204,600 coming from outside China.

International tourists hit a peak of 1 million in 2008, when the overall total number of tourists was 20 million, less than half the current total.

The number of domestic tourists to the island continues to increase at a much faster rate than those from abroad. Yet a number of policies are in place to attract more international tourists, including visa-free entry for up to 15 days for tour groups of more than five people from 26 specified countries.

One of the problems for the Hainan government is that it only has a limited annual tourism advertising budget.

The local government has been working with the BBC, the British broadcaster, to build a Hainan webpage, and also cooperates with TripAdvisor, the world's largest travel site.

In addition, it places billboard ads in airports of key target countries such as Russia, Australia and South Korea.

Increasing awareness

At a restaurant in the center of Haikou, the capital city of Hainan province, Chen Tiejun, deputy director-general of the Hainan Tourism Development Commission, admits it is a challenge.

"We have to make better use of the money we have. We are also actually adjusting our strategy by doing more online marketing, which is more cost-effective," he says.

Ben Briggs, marketing manager of Wendy Wu Tours in the United Kingdom, says that there is a "big awareness problem" about Hainan.

"Not many people know of it," he says. "It is definitely important for the island's officials to get tour operators on board to help them promote their messages."

However, Briggs says that he has noticed a change more recently as tourism representatives from the island have become more proactive.

One resort city that could be a magnet for international tourists is Sanya, located on the southern end of Hainan. Some are confident it has the potential to be the Dubai or Miami of the South China Sea.

Sanya's man-made 365,000 square-meter Phoenix Island, with its towers of luxury hotels, certainly resembles reclamation developments in Dubai, and was designed by the Chinese architect Ma Yansong.

Li Li, deputy general manager of the Sanya Phoenix Island Investment Group, which plans to invest a further 17.6 billion yuan in the area, says she believes Sanya will be firmly on the international map within 10 years.

"I can see it being like Dubai as a place where celebrities such as David Beckham have homes, and also a center for international film festivals such as Cannes," she says.



A yacht sails into the harbor in Sanya in January during the annual Volvo Ocean Race. Hainan is popular among wealthy Chinese people who buy yachts. However, some of them do not actually sail, and use the boats to entertain friends.



The luxury Phoenix Island, an artificial island built on reclaimed land in Sanya, has been compared to similar high-end developments in Dubai.

Key to the success of the development is making Sanya an established international cruise destination.

By the end of next year it will have a 225,000 tonnage berth that will be able to take the world's largest cruise ships.

Cruise liners stop off at Sanya after Hong Kong en route to Vietnam, but there are only likely to be 33 visits this year, compared with 113 in 2013,

because of concerns by operators about territorial disputes in the area.

Zhou Chunhua, director of the Sanya Tourism Development Commission, says the cruise industry is key to popularizing Sanya among foreign tourists.

"A cruise ship can stop for seven or eight hours and people can visit the city. When they go home they can tell people about Sanya," she says.

Sanya is at the vanguard of Hainan's efforts to become an international tourist destination by 2020, with visitor numbers growing 17.9 percent annually for the past five years. Hotel room capacity has increased by 7 percent over the past five years, and another 50 hotels are set to be built within four years.

However, she acknowledges there are challenges in the international market.

"One of the problems of Sanya is it is often known only in China and among people who own yachts, but not by the mass market, and that is what we want to address."

Lily Chen, marketing manager of Sanya Visun Royal Yacht Club, a prime haunt of the Chinese superrich, says business has been affected by the government's anti-corruption campaign.

The club has 800 members — almost all Chinese — each paying 198,000 yuan for five years' membership.

"The economy also has not really been that good over the past two years, and that has affected business," Chen adds.

Briggs at Wendy Wu Tours says one of the best opportunities for Hainan is to attract second- and third-time visitors to China who have already seen

mainstream attractions like the Great Wall, the Forbidden City in Beijing and the 21st-century Shanghai shopping malls.

One of the aims of the tourism planners is to open up inland areas to tourism to boost the local economies.

Qionghai in eastern Hainan has villages that date back to the Song Dynasty (960-1279). To the south of Qionghai, Wanning boasts tropical forests and magnificent landscapes.

Driving local economy

Speaking in Qionghai's Old House coffee shop — with its green-tiled roof an example of traditional architecture — Yang Fen, director of Qionghai Tourism, says tourism is now vital for the local economy.

Before 2012, 85 percent of the city's GDP came from real estate sales, with tourism generating just 10 percent. But that model became unsustainable. Last year, up to 30 percent of the local economy was generated by tourism, he says.

"We are very keen to promote our culture to the outside world. Most of our tourists are currently from Southeast Asia, but we are keen to attract Westerners, too."

There are a number of theme parks



Colin Cheng Wen Thay, founder, Xinglong Tropical Garden.



Zhou Chunhua, director, Sanya Tourism Development Commission.

and other attractions in central Hainan.

One is the Xinglong Tropical Garden, which has been recognized by the United Nations for its environmental work, and was set up by former architect Colin Cheng Wen Thay in 1992. Spread over 400 hectares, it has 4,000 different species of plants.

It is the lifework of Cheng, 70, who was born in Indonesia.

"The visitors often assume I am the gardener since I am often doing physical work," he says. "We get many international tourists, but mostly from Southeast Asia. Those from the US or Europe are mainly overseas Chinese."

Some may question whether tourism should be part of the Belt and Road Initiative, which is often seen as geopolitical and about securing trade routes. Others believe that it is a key plank of the project.

"I think tourism is, in fact, a strategic aspect of the initiative," says Agustinus Wibowo, an Indonesian travel writer and photojournalist. "By making Hainan an international tourism destination, it will act as an important transport hub for the region."

Contact the writers at andrewmoody@chinadaily.com.cn

Tourism gives a boost to traditional island lifestyles

AWAY FROM THE BEACHES AND MAIN RESORTS, HAINAN'S ETHNIC GROUPS AND SMALL BUSINESS OWNERS ENJOY UPLIFT IN VISITORS

By **ANDREW MOODY,**
JIANG WANJUAN
and **LIU XIAOLI**

Zhu Yingliang is among the many small business owners and local residents likely to benefit from more international tourists heading to Hainan, China's southernmost province. The 53-year-old runs a mini market in Zhongyuan town in Qionghai, eastern Hainan.

"We have started to see more visitors over the past three years, particularly from the mainland," he says. "We increasingly do have foreign tourists from Singapore, Thailand and Malaysia, and we stock more items for them such as coffee."

Another local is Li Bing, 26, who works in her parents' cafe, Changrong Tea House, in Zhongyuan. She also earns up to 2,000 yuan (\$320) a month working at the local tourist visitor center.

She says opinion is divided in some parts of the island, with some believing the local government should invest more in healthcare rather than focusing on tourism, given that local wages are lower than other cities. But she recognizes the benefits that the industry has brought.

"Although the main resorts of Sanya and Haikou benefit most from tourism, it does also boost businesses inland," she says. "Local businesses get revenue and it does create jobs."

Tourism has already benefited many of the ethnic groups on the island, some of whom have become living, breathing attractions themselves.

Hundreds of tourists pass through Su Yingli's living room every day just to look at her and how she lives.

Although the 63-year widow has lived in the house all her life, a multimillion dollar theme park dedicated to the Li and Miao ethnic groups — the Binlang Valley Cultural Tourism Zone — was built around it 18 years ago.

"I have never seen so many people in my life before this," she says. "I actually don't pay too much attention to them as they walk through and rarely talk to them."

Su struggles to understand Mandarin and speaks Sai, one of five dialects spoken by Li people, who are unique to Hainan. She lost her husband, Tan Jianrong, four years ago when he was 72, and now lives with two other women.

The house itself is basic, but one of the advantages of having a theme



HUANG YIMING / CHINA DAILY

Su Yingli, a member of the Li ethnic group, lives in a traditional house in the Binlang Valley Cultural Tourism Zone. This theme park was built around traditional villages in Hainan so tourists can see how the Li and Miao people live and work.



Li Bing, works in her parents' cafe, Changrong Tea House, in Hainan.

park on your doorstep is that there are cafes, places to watch TV and other modern facilities.

"There is plenty to do here. It is actually quite sociable," Su says. "There are no special rules — I just have to keep my house neat and tidy for the visitors."

In exchange for being a tourist attraction, she receives 1,800 yuan a month. She also has been given a free villa outside the 59-hectare site, which her family members live in. One of her sons, Tan Jinjiang, 30, works as a builder on the site, and his wife, Chen Li, is a fruit seller.

"Before the park was built, we actually led a very poor life. Now every-

thing is subsidized," she explains.

When entering the tourist park, the Li and Miao people greet visitors with the name of the park, Bloon, in their native Hainan dialect.

Huang Jingyun, 27, from the nearby town of Xinzheng, is one of a number of women who make traditional clothes so tourists, who are mainly Han Chinese, can observe the traditional craft skills involved.

She normally does farmwork at home but is being paid to be at the site for three days.

"It is actually quite good because I am making my own clothes and being paid for it. Young Li people do not normally dress like this, only at weddings and other occasions," she explains.

"We wear jeans and T-shirts at home just like everyone else, although my 86-year-old grandmother does wear traditional clothes all the time."

For some local businesses, however, the prospect of dealing with more foreign tourists will present a challenge.

Wu Jieguang, 64, who runs the eponymous Wu Jieguang traditional Chinese medicine clinic in Zhongyuan, says language skills are an issue.

"I don't speak English, and I would have to hire someone with English skills for it to work," he says. Whether she should make that investment "really depends on how many foreign tourists there are."