

Seat capacity for outbound China travel improves in Q2, finds ForwardKeys



Hong Kong remains the top choice for mainland Chinese travelers in 2023

[ForwardKeys](#) has reported that outbound China travel will grow in Q2 as more seats connect Chinese travelers to the world. The APAC region currently holds the largest share at 81%, with a recovery rate of 43% in Q2. Thailand, South Korea, Hong Kong and Japan are the best-connected destinations with China.

According to the agency, "Northeast Asian travel destinations Japan and South Korea remain highly popular among Chinese travelers despite travel restrictions on Chinese visitors imposed by these countries earlier in the year, according to the latest consumer survey data from [Dragon Trail International](#)."

The April survey polled 1,012 mainland travelers about their plans and preferences for outbound travel. Hong Kong remained the clear top choice for mainland Chinese travelers in 2023, followed by Macau. Looking beyond Greater China, Thailand is the top country that Chinese travelers plan to visit in 2023, followed by Japan and South Korea. Like previous Dragon Trail surveys, France and Australia were the top long-haul destinations for Chinese travelers this year.

"Even though travel restrictions in Japan and South Korea received a lot of attention in January, these destinations are still very attractive to Chinese tourists," said Yelinuer Kadeerbieke, Market Research Analyst at Dragon Trail. "The results should come as a relief to other destinations that might be concerned about the impact of travel restrictions earlier this year."

As the airline industry kicks off its summer season, seat capacity for Chinese outbound travel has been enhanced. Africa and the Middle East are set to increase the most, with 75% in Q2, although the market share is small, as only 6% of total international capacity is from China.

The United Arab Emirates is the most well-connected destination in its region, with a 44% share; while the number of seats between China and Kenya has doubled since 2019, driven by Kenya Airways. Egypt has also experienced a 10% growth; both Egypt Air and Sichuan Airlines in China have increased the seats. These three countries are included in the destination list of the approved group tours and have a close relationship with China through the 'One Belt, One Road' initiative.



“Seat capacity recovery to Europe is driven by Chinese airlines, as European airlines are facing a significant hurdle: far longer flights due to the closure of Russian airspace, while Chinese airlines can still use that airspace. Also, some of the European airlines are having challenges with a shortage of staff, strikes and hub airport constraints,” says Nan Dai, China Market Expert at ForwardKeys.

Capacity to the Americas in Q2 is set to recover only 10% of pre-pandemic seats, as the United States is a major destination, and many airlines have yet to restore their capacity in the China-US market.

Due to the current absence of direct flights between China and the United States, Hong Kong (HKG) and Seoul (ICN) are becoming even more popular for connecting traffic. Analyzing airport hub performance in the China-Europe airline market reveals that the busiest hubs are AMS, DXB, FRA, IST, and ICN. ICN has gained popularity by achieving 375% increase in connecting travelers compared to 2019 levels.

“Most Chinese passengers who use ICN as a connecting hub are traveling to France and the UK in Europe, as direct capacity from China to these two destinations has decreased by 85% and 58%, respectively,” adds Dai.