

# Impacts of Exposition on the Destination City's Tourism

## A Case of the China-ASEAN Expo in Nanning, Guangxi

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**Abstract**—The development of regional and city tourism will be affected by hosting an expo to a certain extent. According to a case of ASEAN Expo, we analyze the effect of ASEAN Expo to the tourism development of Guangxi province and Nanning city on 3 issues that the hotel industry, inbound tourism and tourism activities. The hotel industry and inbound tourism are analyzed quantitatively and through the analysis of tourism activities, the impact of hosting the ASEAN Expo on Nanning urban tourism and urban tourism image is revealed.

**Keywords**—the China-ASEAN Expo; expo; development of the destination city's tourism

### I. INTRODUCTION

On Nov. 4th in 2002, Zhu Rong-ji, the premier of State Department of China, and the leaders from 10 countries in ASEAN signed the China-ASEAN Framework Agreement on Comprehensive Economic Cooperation after attending the China-ASEAN's Leaders Meeting. This Agreement showed that the China-ASEAN Trade Area would not be established until in 2002, which indicated that the progress of the China-ASEAN Trade Area had started to launch formally. On October 8th in 2003, the premier Wen Jia-bao suggested, in The 7th ASEAN-China's Leaders Meeting, that from 2004, the China-ASEAN Expo would be hosted every November, in Nanning, Guangxi province of China. This suggestion gained the popular welcome of the leaders from different counties, and was written into the chairman's statement published after the meeting. In 2004, The First China-ASEAN Expo was hosted in Nanning and hit the mark. Until now, the China-ASEAN Expo has already been held for seven times. The article takes it for example to study and probe systematically into the impact of China-ASEAN Expo on the tourism of Nanning and Guangxi Autonomous Region.

### II. THE IMPACT OF HOSTING CHINA-ASEAN EXPO ON HOTEL INDUSTRY

#### A. The Growth of Hotel and the Increase of Revenue

Many hotels in Nanning were built in the 80s of last century. From 2004, a huge number of tourists brought by the China-ASEAN Expo and what's more, the development of other tourism projects in Guangxi, claimed the better hospitality capacity of hotels in Guangxi. The host of the China-ASEAN Expo brought unprecedented pressure and challenges to the hotel industry of Nanning. In order to satisfy the demand of hosting the China-ASEAN Expo, the government of Guangxi Autonomous Region renovated and reconstructed the old hotels and built the new hotels, as a

result of which the number of starred hotels increased dramatically from the 73 hotels in 1998 to 384 hotels in 2007[2] which has improved greatly the hospitality capacity of hotels in Guangxi.

When it was in 2005 the government completed the reconstructing and upgrading of more than 150 hotels so that there were totally 61 starred hotels and foreign-related hotels with 4 hotels having passed ISO9000 Quality System Authentication and in possession of the hospitality capacity of 3395 guest rooms with 5937 beds. Among these hotels, six of Mingyuan Xindu Hotel, Mingyuan Restaurant, Nanning International Great Hotel, Phoenix Hotel, Nanning Restaurant, and Yong Jiang Hotel were granted to be the first batch of "China-ASEAN Expo Designated Reception Hotels".

During the first Expo, Nanning has totally attended 976 thousand overseas and domestic tourists, and the number of daily hotel guests in hotels of Nanning has elevated to 1.2 times of the average number, the average occupancy rate elevating to 65%. The daily guest room revenue and catering revenue has separately improved 1,116,560 yuan and 503,000 yuan than the average time. During the second China-ASEAN Expo on October 14-18th, the number of domestic and foreign guests entering into Nanning reached to 545,000 daily, and the total overseas and domestic person-trips received in Nanning was 111.3 thousand with the growth of 14% than the first Expo, in which the overseas guests with 11.8 thousand person-trips occupied 10.6%, and the domestic guests with 99.5 thousand person-trips occupied 89.4% [2].

#### B. The Case Study on Mingyuan Xindu Hotel

Mingyuan Xindu Hotel is one of the China-ASEAN Expo Designated Reception Hotels. By analysing the reception ledger of the hotel in 2007, we will study the influence of Expo on its operation. Though the hotel averagely attended 142.83 persons in one month of 2007, during the ASEAN Expo, the foreign guests attended by the hotel arrived at the peak of 218 person in all, 65 person more than the average one and the growth reaching to 52.63%. Since the growth was so large that there were 106 person from ASEAN of whom 83 person came from Cambodia, 15 person from Malaysia. The main distribution of European and American guests was as follows: 31 person was from the United State, 24 person from England and 19 person from Japan. According to the analysis of reception data, there had a big swing in the number of reception guests, resulting in the appearance of the obvious low season and midseason.

January, April and May was the low season of this hotel, but October belonging to the hosting period of the China-ASEAN Expo was midseason.

Discrete coefficients of the number of reception person (Standard deviation coefficient) was about 32.8%, which meant that the discrete level was too high. The high discrete level dedicates that the hotels may come out the insufficient reception capacity in midseason and the excessive one in low season, so they should pay attention to reserve manpower taking accounting of the problem of the reception person increasing abruptly during the hosting period of ASEAN Expo.

### III. THE IMPACT OF HOSTING EXPO ON OVERSEAS TOURIST MARKET

Hosting ASEAN Expo would not only make the absolute number of international tourists growing fast but also improve the growing speed of domestic tourists by a large margin. From 2002 to 2007, the person-trips of international tourists attended by Nanning through the year increased from 20.1 thousand to 65.5 thousand, the annual growth rate reaching to 10.45%. And after 2004, the number of the overseas tourists became to increase faster, and in 2007 it break through 100 thousand, which gained the year-on-year growth of 28% to 2006 and well surpassed the average annual growth rate before the hosting of ASEAN Expo.

From 1995 to 2004 the total number of overseas tourists in Guangxi increased year by year, but in 2003 the number decreased slightly because of SARS. As far as the absolute number was concerned, the number of Hong Kong, Macao and Taiwan compatriots were also increased, but its proportion in the overseas tourist market of Nanning came to being decreasing gradually. That is, in 1995 the proportion of Hong Kong, Macao and Taiwan compatriots to inbound tourists was 50.40%, but when it came to 2004, the proportion declined to 22.30%, while accordingly the proportion of international tourists to inbound tourists was lifting gradually. The hosting of ASEAN Expo attracted a host of passengers, especially the ones from Vietnam, Singapore, Malaysia and other East Asian countries. In 1995 the top 3 biggest tourist markets were Hong Kong, Taiwan and Japan, however from 2001 to 2004, they became to Vietnam, Hong Kong and Taiwan which continued the situation until now. The hosting of ASEAN Expo made the overseas tourist market structure transfer from that overseas tourists were the same proportion as Hong Kong, Macao and Taiwan compatriots to that the later were main.

Besides, it made the nature of overseas tourists have changed a lot, from the main sightseers in 1999 to both sightseers and business meeting passengers being of the same importance.

### IV. THE IMPACT OF HOSTING EXPO ON TOURISM ACTIVITIES

#### A. Boost to the Launching of Tourism Cultural Activities

In order to welcome ASEAN Expo, Guangxi has launched a series of tourism cultural activities. After 2004, tourism department at all levels in Guangxi stepped out to hold actively all kinds of tourism recommendation conference and had got a big success. In these conferences, a large size of tourism propaganda and promotion activity of

“The step into ASEAN-Tourism caravan in Nanning of China ” hosted by Autonomous Regional Committee Propaganda Department and Autonomous Regional Tourism Authority was widely known by ASEAN countries, and along the way the “caravan” came across the capital of Thailand Bangkok, Singapore, Bali and the capital Jakarta of Indonesia and the capital Kuala Lumpur of Malaysia. The activity comprised hosting the tourism gallery of Nanning, distributing the tourism promotion material, launching tourism consultation activity and distributing the Expo promotion material which played an important role in promoting the Guangxi ’s tourism and attracting investments and collaboration.

While the Expo was hosted, the host was nationwide promoting the East Asian products through a series of concentrative promotion of the East Asian products, and took Guangxi as headquarter to serve the exhibitors from different countries of East Asia, becoming a bridge linking the East Asian products with the Chinese market. For the exhibitors the third China-ASEAN Expo launched 40 introduction meetings and special trade marching activities, and for the first time hosted 6 country and industry commodity purchasing symposiums for East Asian purchasers which supplied an practical and effective marching service for the East Asian countries to exploit the Chinese market. With the continuing development of the multilevel and multi-dimension tourism promotion cooperation between Guangxi tourism department and East Asian countries, the communication between the bilateral tourists would become more naturally.

#### B. The Main Tourism Program Development Driven by Expo

After hosting the Expo, Nanning also strengthened the development of some related tourism programs, the main were as follows:

1) Modern agriculture sightseeing program. At present there has Modern Agriculture Technology Displaying Center of Guangxi in Nanning to supply for the tourists the products the main of whom are characteristic pollution-free agricultural products, quality seed seedling, flowers, and all kinds of characteristic agricultural souvenirs.

2) Medicinal plants garden. Nowadays there are more than 2500 medicinal plants in the garden, and it's the biggest professional medicinal plants garden of our country which has already established the tourism constructing plan and is a kind of tourism area whose planning and constructing are basically characteristic of medicinal plants and collect the traditional Chinese medicine culture, medicine culture of Zhuang people, garden culture, science research, education training and health care all in one.

3) The Trip to Zhuang's Country Wuming. The trip to Zhuang's country Wuming is the most unique product in Nanning, Guangxi, and has exotic feature in our country even in the world. This program exhibits the local conditions and customs and historical culture of Zhuang people via the broad region space and society, economy, culture and so on. And it centrally exhibits them by some concrete tourism subprograms that make Wuming the tourism destination and symbol of the Trip to Zhuang's country Wuming.

Landscape Resort Tourism Area of Qing Xiu Mountain. This program mainly bases on the green and ecological tourism and the leisure vacation base, emphasizes “green” and the local cultural character of the capital city, satisfy the multilayer needs of tourists’ sightseeing, entertainment and leisure vacation, so it becomes the ace-high tourism area.

The Expo of Nanning’s famous trees. The Expo of Nanning’s famous trees is a new symbolic garden landscape of Nanning. Amongst the global rare tree species introduced into the Expo there are date palm tree of Ghana—one of the species with the highest visual value in the world and *Jatropha podagrica* of Australia.

### *C. The Impact of Hosting Expo on City Tourism Image*

Since the ancient time Guangxi are widely famous for the mountains and rivers, after hosting ASEAN Expo, besides the image of “the mountains and rivers of Guilin are notable widely” it has other largely upgraded tourism brands such as the Green City Nanning and the Silver Beach of North Sea, thanks to the growth of overseas and domestic tourists.

Guangxi is the mother town of the immortal singer Liu San-jie, and Nanning was claimed to the place folk songs long for. The first China-ASEAN Expo and the sixth International Art Festival of folk songs in Nanning were held at the same time, meanwhile, there yet hosted a series of cultural activities: “The Night of Real Dragon· Southeast Asia with Charm· Being together in Nanning”、 “Chinese complex ·The Night of China-ASEAN Expo Grand Ceremony”、 “Chemical Industry of Nanning· International Costume Festival of Nanning in 2004” and “International Food Festival of Southeast Asia”, which have wholly upgraded the whole tourism image of Nanning.

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