

Maitao Makes Travel a Family Affair

■ By Charmaine N Clarke

Jason Xie's one smart dad. He found a way to make money out of what originally began as a search for fun activities for his son and daughter to do while socialising with other kids their age. This April, two years after its modest beginnings as a WeChat group for CEIBS alumni, his company Maitao.com launched its own App and is on its way to adding more investor funding to the RMB5 million an angel investor provided last July. Xie has managed to identify a specific niche in the travel market, then add on a few extras that he believes will translate into a successful business that grows along with his clients.

He wasn't always that confident. In fact a former club member was the one who suggested that their informal

online group had the potential to be a viable business. By then the group had grown to include parents from outside the CEIBS alumni circle, attracting members from other well-known b-schools in Shanghai. One of them happened to work for Sheng Da, known for its links to the gaming industry, and the company thought the idea was worth investing in. Emboldened by this financial stamp of approval, Xie resigned from his job as COO of online travel website eLong and took the plunge into the challenging life of being an entrepreneur.

Today Maitao offers families peace of mind and networking opportunities. The platform is an easy way to find everything from ukulele lessons to a how-to session on making authentic

Italian pizza, or a chance to spend the day as a fireman. In addition to fun activities that tend to have some educational/learning element included, the website also offers reviews of family-related services or events. It even has a list of pre-screened experts for anyone looking for anything from a spelunking coach to a more traditional art teacher. "We provide a marketplace for travel providers to offer their services to a niche group of customers," Xie explains.

At the core of it all is the concept of community, a throwback to the company's origins as a WeChat group. Maitao's focus on people instead of products also influenced the company logo, which uses an image of humans, not an animal like many major travel





Jason Xie Fast Facts

1997-2000: Unit Manager, P&G China

2000: Graduated from CEIBS MBA

2015: Enrolled in CEIBS Entrepreneurial Leadership Camp

About Maitao.com

March 2013 – began as a WeChat group for CEIBS alumni

July 2014 – RMB5 million from angel investor

September 2014 – launches own website Maitianqinzi.com but still uses WeChat Group

March 2015 – major steps made in accessing additional investment

April 2015 – launches own App and new H5 website maitao.com

Number of employees as of 2015: 60



related services. “We focus on the people in the group, instead of any particular product,” explains Xie. “Many of our clients become friends after they join our programme, and their children become friends. So we’re not only travel, we’re also social. This is because families with children of similar age will automatically have very common interests.” It also means a lot of repeat customers. When he was at eLong, Xie points out, individual clients used their services twice a year, at most. Maitao provides services to families who are constantly looking for

activities to keep their kids occupied and these range from one-day events to longer activities that span the summer or winter vacations. “Ours is a consumer driven travel plan. Instead of selling a standard product to the mass market, we have a very clear target market. We call it travel with kids or family travel,” Xie explains. “All our members are families with young kids. The typical age of the kids is between 3 and 12. So they have similar demands: for example they will travel during the weekends or summer holidays when schools are out. And the parents prefer

to have some educational element included in the trip.”

Through its own website, launched last September and its newly launched App, Maitao now reaches a much more targeted audience to whom it offers a lot more. For example, there are sometimes ice-breaking sessions ahead of an excursion, a vital element for people who will be spending a lot of time together throughout the course of a trip. The App also provides user profiles so people can know if a particular group of people is one they

want to join for an activity. But even with its own website and new App, Maitian still uses its WeChat group to attract clients who sometimes come pre-packaged into their own groups – for example a school may need help pulling together the details for a class’ field trip in or outside China.

About 90 percent of Maitian’s services are related to traveling within China, understandable since many are shorter trips or activities. But Xie is aware of China’s booming outbound travel market and estimates that about 20 to 30 percent of his revenues last year came from outbound travel

related business. Japan and the US remain popular destinations, he says. He agrees with most industry players that China’s outbound travel industry will grow by 20 to 30 percent over the next decade, he adds. And while that is not Maitao’s primary focus Xie can grasp the significance of those numbers. But for now he’s focused on his target group, families with kids. “In terms of consumption, they make up about a third of the total market, which is now about RMB3 trillion and growing at 15 percent a year,” he says. That’s a RMB1 trillion market and Maitao is well on its way to getting its fair share of it.

