

Chinese will resume traveling and shopping despite setbacks

According to Swiss research agency m1nd-set, growth prospects for travel retail in China are positive despite recent travel restrictions imposed by a renewed outbreak in the northern Heilongjiang and Hebei provinces, affecting 28 million people.

The agency performed a China-focused study on traffic and shopper insights. This study demonstrates that 2021 “will mark the beginning of a robust return to growth for the travel retail sector in China.”

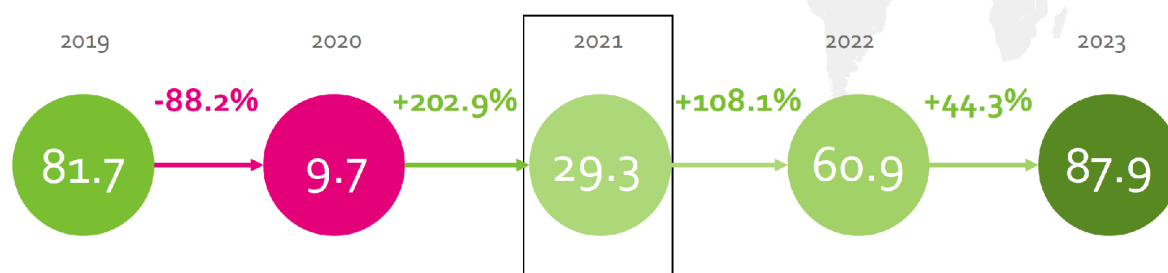
The agency’s Business Intelligence Service (BIS) traffic and shopper insights data tool suggests that the Chinese will to travel is strong, and the country will see international departures increase by more than 200% in 2021, reaching approximately 30 million international departures.

By 2023, outbound traffic is expected to return to pre-Covid levels, reaching 88 million passengers. After the greater-than-200% outbound travel growth this year, 108% growth is forecast for 2022, and 44% for 2023.

CHINA AIR TRAFFIC INSIGHTS

m1nd-set
expert in travel market research

International departures from China
PAX in millions of passengers and Y.O.Y Growth



The Chinese traveler

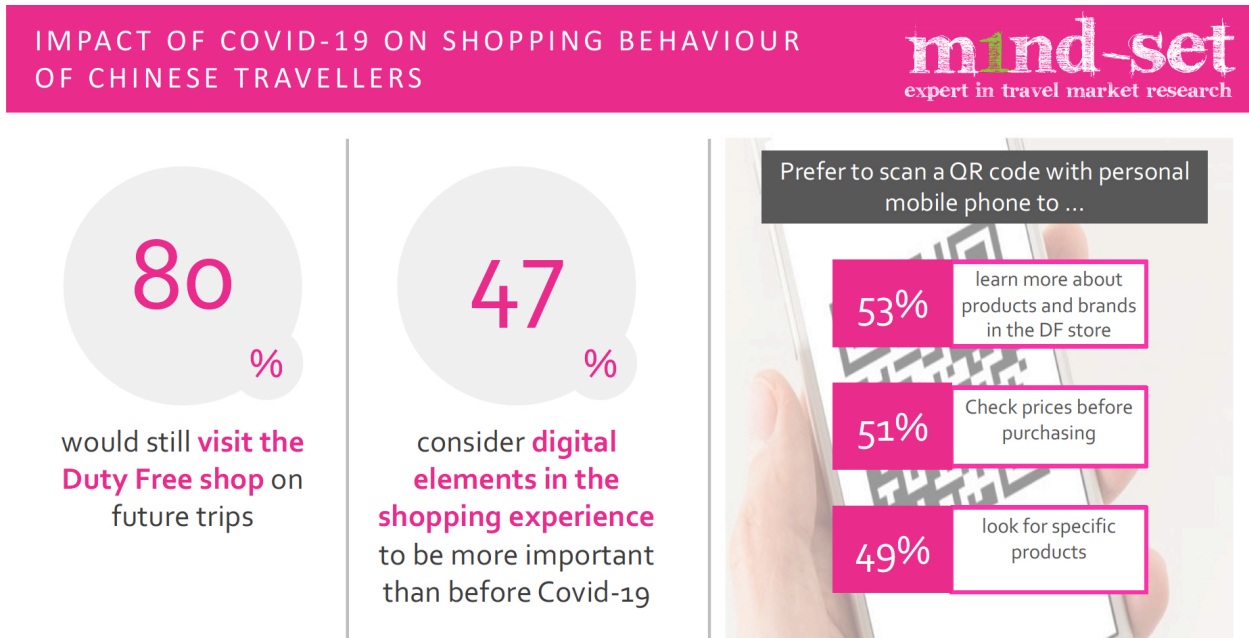
Between better knowledge of the virus, improved testing and containment measures and the availability of a vaccine, the most recent outbreak in China is not expected to have as great an impact on Chinese individuals’ daily life. But they still have much to overcome.

The majority of Chinese travelers report a negative impact on their household income due to the pandemic, at 53%. The reduction ranged from 5% to 20%.

These travelers are especially conscious of health protocols. They practice greater hygiene while

traveling, and pay significantly greater attention to health and safety measures.

One-third of Chinese travelers said they would travel again, but not immediately after the lifting of restrictions. The vaccine should have an impact on this, however, with 97% willing to have the vaccine and the majority of these people wishing to have it as soon as possible. The willingness to travel immediately increases from 31% to 39% of travelers assuming they have had the vaccine.



Shopping with traveling

While 80% of Chinese travelers who normally visit duty free stores still plan on doing so, two-thirds of these people state they intend to spend less time at the airport. An additional 27% will spend less time inside shops, and more than 50% will try to isolate themselves from crowds.

Clara Susset, m1nd-set Travel Retail Research Director, said: “Communication is key to post-Covid recovery in China. The industry will need to work collectively to restore traveller confidence and entice them back into the stores. It will be essential to provide easy access to clear information about health and safety measures at the airport and potential delays throughout the airport journey due to modified security measures and procedures.”

Susset continued, “Chinese travelers express a clear preference - and a greater tendency than global travellers - for digital technology such as QR Codes as a means to learn more about products and brands in the duty free shops, search for specific products and check prices before purchasing. The research reveals a number of new such trends and provides recommendations on how to approach this all-important market to ensure the travel retail sector is able to benefit.”