

# CHINESE TOURISTS LEAD GLOBAL TREND IN TAX-FREE SHOPPING



Shopping and vacations have always had a strong connection, with many travellers indulging in some retail therapy in foreign cities, but it seems that overseas tax-free shopping is on the rise with more than 200 million tourists from ten top-spending nations taking advantage of it. For another year running, this shopping trend has seen growth with seven of the top ten nationalities in from Global Blue's survey spending over 10% more on average in 2013 than

they did in 2012. This top ten, from highest to lowest, are China, Russia, Indonesia, USA, Japan, Thailand, Malaysia, Saudi Arabia, UAE and Hong Kong.

## **There is a clear winner in the race for title of most popular shopping destination.**

The city that came first in the list of preferred destinations for tax-free shopping is, unsurprisingly, Paris and it was the choice of those from Hong Kong, Japan, America and, most importantly, China. Following Paris is London, which is favoured by Saudi, UAE and Thai shoppers; then comes Singapore, favoured by the Malaysians and Indonesians; and Milan comes fourth, having been named as the favourite of the Russians. The rest of the top ten continues with Rome, Munich, Frankfurt, Seoul, Vienna and Berlin. What is interesting about these results is the way they could effect Parisian shopping when Chinese growth is considered, the alternative trends for Russians and the growth seen in other Asian nations.

## **Global Top 10 Shopper Cities**

1. Paris
2. London
3. Singapore
4. Milan
5. Rome
6. Munich
7. Frankfurt
8. Seoul
9. Vienna
10. Berlin

## **The Chinese are leading the pack in tax-free shopping expenditure but the Russians are not far behind and the trend is growing across Asia.**

The Chinese claim to be favouring Paris but they are viewed as super spenders across the world, with tax-free shopping being enjoyed by Chinese tourists in great numbers in many nations. This market survey by Global Blue shows that Chinese spending was up 20% on the figures for 2012 and that 82% of Chinese travellers feel shopping is a vital part of their holiday. Because of these high figures and clear trends, global destinations, hotels and retailers - especially those in Paris - need to ensure they understand their demographics and take advantage of them. China is the undoubtedly the nation that is taking advantage of these tax-free opportunities the most but Russia is not far behind; together they were responsible for 40% of Global Blues' tax-free transactions.

In that same market survey, 56% of Middle Eastern travellers and 48% of Russians saw shopping as an important part of their holiday. Russia's position in these tables is not so much about how much they are spending across these borders but the amount of times they are doing so; while China is seeing the most growth and spending the most money, Russian tourists are enjoying the most transactions - 24% of all of Global Blues' tax-free transactions. Milan may have been named the top shopping destination for Russians but it seems many are also heading over to Finland and Lithuania with regularity to buy fashionable clothes and goods.

Last, but not least, there is the interesting growth in tax-free shopping in other Asian nations. Japan may be slipping down the table but this is only because Thailand and Malaysia have seen such high growth in 2013, with 23% and 21% respectively. China may be leading the way in this shopping trend but other nations are catching on, which emphasises this idea that tax-free shopping is a rising global interest that is on the rise across many countries rather than a new fad simply enjoyed by the Russians and Chinese.

### **Preferred Travel Destinations by Nationality**

Nationality	Preferred City
Chinese	Paris
Russians	Milan
Indonesians	Singapore
Americans	Paris
Japanese	Paris
Thais	London
Malaysians	Singapore
Saudi Arabians	London
Emiratis	London
Hong Kongers	Paris

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