

# CHINESE TOURISTS SEEK LUXURY GOODS



Based on a report that was released during the 2014 World Tourism City Federation (WTCF) Beijing Fragrant Hills Tourism Summit, target countries have developed their tourism industry because of China's outbound tourists. There is more international interest in Chinese tourists thanks to their purchasing power.

Ipsos, an organization that deals with market research, as well as WTCF published the report jointly. Their report placed emphasis on the issues that affected the decisions made by Chinese tourists as well as their consumer behavior. Also underlined were the issues that affected the quality of tourist-related products.

According to the report, **in 2013, the amount of money that Chinese outbound tourists spent on overseas trips amounted to \$128.7 billion.** The money was mostly spent on luxury products they purchased during their trips. The US accounted for 10%, Europe 23%, and Macau accounted for 26% of the shopping done by China outbound tourists. The lower prices in those destinations were a major attraction to them.

The trend toward outbound tourism with regard to Chinese tourists is affected by three major factors. These include easier time travelling abroad, digitalized services and diversified methods of travel. Because of those factors in 2013 alone, the amount of trips by Chinese travelers increased by 18% to 98.19 million trips.

56.2% of outbound tourists from China belong to the post-80s generation. 26.4% of such tourists belong to the post-70s era and 11.3% of them belong to the post-90s generation.

For high earning Chinese families, travelling abroad is now an important aspect of their lives, which is why many of them make up the outbound tourist population. In 2013 the average outbound tourist was earning 11,512 Yuan per month, which is 300% the average monthly income of 3798 Yuan for those in major metropolises. That number is also 500% the urban per capita disposable income of 2246 Yuan per month. On average, outbound tourists in China earn 20,767 Yuan per month.

Since vacation days usually last less than 10 days, the youth, who form most of the population of outbound Chinese tourists, prefer to take short trips.

Over 70% of tourists travel abroad once a year. 37% of outbound Chinese tourists travel several times annually. **87.6% of the outbound tourists prefer to use travel agencies to make travel arrangements in order to avoid visa application complications.**

Most Chinese tourists, who travel abroad according to the report, prefer sightseeing the most. Participating in leisurely activities comes second and relaxation follows closely after that. 44% go abroad to shop. Beautiful sceneries are also a major attraction to China's outbound tourists. The unique culture, history, and architecture of destinations also serve as attractions.

Based on the report, the Chinese tourists travelling abroad enjoy shopping in their destinations. It accounts for 20,000 per capita overall, which is 57.8% of the total money spent. More money is spent on accommodation facilities, transport; scenic sports tickets, entertainment, and tips. There is no doubt that the consumer habits of the outbound Chinese tourists are worth considering. The amount of money that these tourists spend on any given year when they travel abroad is significant. That fact accounts for the way different destinations tailor their tourism industries to fit the needs of China's outbound tourists.

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