

CHINESE TOURISTS AVOID SWITZERLAND AMID TERRORISM CONCERNS



Chinese visitors in Europe are looking for other destinations rather than Switzerland. The main reason is the concern about terrorism, which is why their focus has been redirected to regions in eastern and northern Europe.

The developments in China in 2016 have taken the Swiss travel industry by surprise. As fast as the overnight stays booked had risen in the years before, there came a surprising shift. Chinese tourists seem to prefer different destinations.

Even a successful company such as the Jungfraubahnen realized how much the situation in the Asian country has changed. The prices are “broken”, says Urs Kessler, head of the company. **It has been harder than ever for tour operators to negotiate the conditions.**

Since December 2015, the number of overnight stays of Chinese tourists in Switzerland has declined. In the summer season 2016, the rate fell by 22% compared to the year before. In the Bernese tourist resort of Interlaken, travelers from the Arabian Peninsula last year (until the end of October) had surprisingly booked more overnight stays than the Chinese. In general, the Asian country is no longer third, but the fourth most important source market for local tourism.

Interpretations of reasons for this surprising development vary. The complicated visa procedures in China have certainly contributed to the falling overnight stays. The weaker economic environment is also likely one of the reasons for this trend change.

Another important factor is the fear of terrorist attacks. Many Chinese tour groups preferred holidays in Eastern and Northern Europe. The reason is that these regions were safer than the west of the continent after the attacks in Belgium and France, representatives of the travel industry confirm.

In general, however, the decline in Chinese tourists inflow shows once again that the economy's growth is accompanied by strong slumps. Recently, this was true not only for the Chinese market, but also for other emerging economies, which had great hopes for tourists. Particularly strong were the setbacks in major markets of Russia and Brazil.

“The South American country is a big disappointment,” says Kessler of Jungfraubahnen. It is therefore a question whether this market should be still worked on.

The Chinese tourism industry is unlikely to adopt such strict considerations. The tourism market there is now too big. Kessler has since decided to no longer participate in the price fights anymore. Last year, it was the goal of the management to increase the average earnings per passenger in general. Therefore, the railway did not achieve the maximum of guest numbers. In mid-2016, the company still achieved the second highest traffic volume in its history - despite lower numbers of Chinese tourists.

The price war is also fierce because in the recent years the entire Swiss tourism industry

began to work on the Chinese market. Travelers from the most populous country should fill the gap that had arisen after the financial crisis of 2008. At that time many Germans, deterred from the expensive franc, were increasingly avoiding Switzerland.

But the bill did not go for long for all tourist providers. Ordinary three and four-star hotels felt the Chinese boom mildly. Especially since the success in this country requires many years of development and a tight network. The Jungfraubahnen, as well as the Innschweizer Titlisbahnen have been present in Asia for decades and continue to do their utmost to defend their competitive edge.

Above all, they seem to continue their effort to refine the distribution network in China. "We are also increasingly marketing in the less-known major cities of the country," says Norbert Patt, head of the Titlis railways. It is no longer enough to cooperate with the biggest providers. With tens of thousands of guests a year in Engelberg, it is also necessary to work with smaller tour operators.

While Kessler noticed a rapid increase in the number of Chinese individual guests in the Jungfraubahnen, these are still a rather rare phenomenon, according to Patt in Engelberg. **It still seems that many Chinese lack the language skills and certain worldliness to explore Europe on their own.**

Guests from India are more versatile in this respect. For Titlisbahnen, individual travelers of the subcontinent have also gained some importance. The past year has taught companies one thing: they must be cautious and careful not to become dependent on China.

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