

SPANISH REVENUES PER PURCHASE FOR NON-EU TOURISTS DROP 9%



Spain saw its revenue fall by 9% in purchase expenses by non-EU tourists in just the first four months of the year, according to the first edition of the 2018 Shopping Tourism Barometer issued by Global Blue, an international tax-free shopping operator.

The report explains that the purchase expenses decline is due to the negative atmosphere that surrounds Spain, fueled by Catalonia's political crisis and the current strength of the euro in the exchange markets.

The barometer follows the entire process of tax free shopping (purchases issued by shop, validated in customs, paid to the tourist and then billed), in shopping stores associated to Global Blue and that, between the reference period and the previous year, had visitors purchasing in their establishments. **According to this report, these factors have a visible effect on visitors when choosing destinations, eventually leading them to consider countries such as Japan, Indonesia or the Philippines, where the tax-free process has been simplified.**

The decline in purchase expenses became a current economic situation some months ago, as the study explains, but it's becoming a chronic problem, highlighting that to counteract this situation it is necessary to increase and improve the promotion of Spain as a tourist destination in these issuing markets, among non-EU tourists, with larger expenditures outlays.

These tourists need between one and three months to plan their trip and obtain a visa, details Global Blue's analysis; and seeing as the Catalan conflict sparked in autumn, its consequences were noticeable as 2017 came to an end. Between November and January, expenditure fell by 4%, and the downward trend has remained throughout the year, with a decrease of 5% over the entire first quarter: the result of ignoring a situation that demands to put new measures in place and neutralize its negative effects.

By nationalities, Chinese tourists reduced their shopping expenditure by 10%, and not even the celebration of the Chinese New Year, one of the most important reasons for these citizens to travel, was able to offset revenues for the stores.

Argentinean visitors also suffer the consequences of these unfavorable conditions for Spain's tourism sector. In the past, the segment reported a 50% increase in shopping expenditures, which has inevitably dropped to 8%. In addition, Global Blue warns that this trend will be more noticeable in the following months, since the country's economic uncertainty has reached the point where a loan was negotiated with the International Monetary Fund (IMF).

The study affirms the importance of making an effort to attract non-EU tourists from other locations, such as the Persian Gulf, since the country only registers about 3% of visitors from that region.

Moreover, it states that the ability to attract a greater diversity of nationalities has allowed Levante (eastern region) and Costa del Sol to increase their income in purchases by non-EU tourists to levels

above the national average, with early reports estimating 12% and 2%, respectively.

Date: 2018-06-04

Article link: <https://www.tourism-review.com/expenses-of-non-eu-tourists-decreased-news10618>