

DOMESTIC TOURISM BOOSTS CHINESE ECONOMY



Since the outbreak of the coronavirus pandemic, and the ease of restrictions in China, the May Day holiday represented a significant boost for the domestic tourism of the country. Millions of people traveled around China exploring local attractions.

During the 5-day May Day Holidays, the government figures report that China recorded 115 million domestic tourism trips which are more than the 43m trips recorded during the Qingming holiday that lasted for 3 days last month.

As great as these figures are, they are less than the numbers for last year when 195m trips were registered on May Day. The total tourism revenue from 115m tourist trips made up about \$6.7bn to the total. Experts point out that the revenue generated during the May Day holiday from this year's tourism sector was lower than that of the previous year by 60%.

Jiangxi province topped the earnings list at about 15.4 billion yuan (\$2.17 billion) during the holiday, followed by Hunan at 14.1 billion yuan and Guangdong at 10.3 billion yuan.

Also, according to the Beijing Municipal Administrative Center of Parks, major tourism parks in Beijing received a total of 950,000 visitors during the five days. Between May 1 and May 5th, 11 municipal parks recorded an average daily visitor number of about 190,000.

Considering the current realities, China still has a long way to go to attain full economic recovery from the effects of the epidemic. Experts noted that public confidence in the government is already recovering to a large extent as Chinese citizens are seeing the government's ability to control the outbreak.

Asia-Pacific director of tourism data group STR Jesper Palmqvist also sees the public confidence rising as the national congress has now scheduled their parliamentary meeting for late May after it had been suspended in March.

Data from STR has revealed that occupancy levels in hotels have seen a significant rise, as the daily rates have nearly doubled in the past weeks.

According to the head of Asia economics at USB in Hong Kong, it is highly doubtful that Chinese citizens will be traveling abroad soon. The reason is that most persons do not yet feel safe to fly. Also, China is cutting down as many international flights as possible especially as many other countries have shut their borders to visitors owing to the pandemic.

While domestic tourism and flights might be looking at more revenue, western tourism agencies and airlines will be suffering a loss of Chinese tourists and their contribution to the tourism sector.

The China Tourism Academy reported that over 6 million Chinese tourists visited Europe in 2018. Their U.S. counterpart, the National Travel, and Tourism office reports that 2.8 million Chinese tourists visited the USA in 2019.

Domestic tourism is on the rise in Beijing as the government stands up to the challenge of preventing further infections while helping the economy recover. One safety measure implemented in Beijing municipals is the official announcement that shops and malls should be kept half full, while Beijing officials work hard to revive the market confidence and broaden the consumption range.

Local tourist attractions in Beijing opened up for the first time over the break but businesses were restricted by a maximum number of entry tickets to be sold. Attractions such as the Forbidden City were also asked to sell their tickets online and avoid on-the-spot selling

Meanwhile, Shanghai's Disneyland is set to reopen on May 11 and is the first of its kind to reopen ever since normalcy has been gradually restored in China and its tourism industry.

Walt Disney's CEO, Bob Chapek said the decision to reopen was made alongside their partner, the Shanghai Shendi Group. The agreement was reached based on the noticeable recovery in China's industry, as well as the successful reopening of facilities such as entertainment complexes, hotels, and dining around Shanghai.

The Disney Park in Shanghai has experienced a long shut down since January 25 when the COVID 19 spread was worse. The closure affected all Disney theme parks worldwide that have been shut since mid-March

The controlled and phased reopening of Shanghai's Disney Park will go side by side health and safety precautions directed at recovering the economy and boosting businesses that will have long term effects on China's economic development.

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