

CHINESE TOURISTS GROWING IN IMPORTANCE REGARDING LUXURY SHOPPING IN ITALY



The Global Blue data for the fourth quarter confirmed tax-free shopping in Italy ended positively in 2023. During this period, there was a recovery in spending of 122% compared to 2019, thanks to the contribution of the Golden Week in October.

However, the spending rate drops to 49% if we only consider Chinese tourists, who spent an average of 1,565 euros (+24%). It is worth noting that **the Chinese contribution to total tax-free spending is growing, as they now make up 11% of all tax-free shoppers**, second only to Americans (21%), and ahead of Arabs (10%).

In 2024, Chinese tourists are expected to return but have changed their shopping habits. Global Blue has dedicated a study to this new phenomenon.

The Demand Has Changed

It has been observed that tax-free shopping is one of the primary reasons for 68% of Chinese people to travel and purchase items outside their country. As per the data, the new Chinese shopper profile is majorly young, with 69% of spending done by Millennials and Gen Z. The latter has shown a significant increase from 6% in 2019 to 15%.

The fashion and clothing segment is the most preferred product category for these shoppers, with 82% of them preferring to shop in this category, which has increased compared to pre-pandemic times. The average receipt for fashion and clothing has also increased from 1,135 euros to 1,473 euros, which is a rise of 30%.

These Chinese shoppers tend to spend more, ranging from 2,278 euros for Gen Z to 3,530 euros for Millennials and up to 3,480 euros for Gen Milan. While 22% of these shoppers prefer Rome, only 9% and 6% prefer Florence and Venice, respectively. Nevertheless, Venice records the highest average receipt of 2,044 euros.

According to the data, 56% of Chinese travelers who visited the VIP Lounges in Florence, Milan, and Rome said they usually visit two or three cities during their stay in Italy. Moreover, 41% of them consider Italy an exclusive travel destination. Regarding shopping, 48% of Chinese tourists expect boutique staff to be familiar with Chinese culture and language, while 47% seek a unique and exclusive shopping experience. Interestingly, the preference for shopping experiences changes depending on age. Younger respondents (under 29) tend to seek unique experiences (57%), whereas older respondents (over 61) tend to prioritize cultural factors (58%).

Luxury

Chinese tourists are known for their spending on luxury items, with a 42% increase in average receipt from 1,943 to 2,751 euros, according to Global Blue. These luxury consumers are mostly

young, with 68% under 44. However, 76% of them only travel once to a maximum of three times a year. On average, the Chinese represent 13% of total luxury purchases and spend 4,321 euros per purchase.

In the coming years, the Chinese are expected to become the world's leading buyers of luxury products once again, with a projected 40% share of the global market by 2030. Additionally, they are increasingly digital in their shopping habits. In 2023, online sales are estimated to account for 46% of total sales. Even when purchases are made offline, digital touchpoints are crucial. For instance, being able to book an appointment in a boutique to avoid waiting and receive personalized treatment is a significant factor.

Chinese tourists are motivated to purchase products when traveling abroad for various reasons, such as spending less, finding unique products unavailable in China, and having first-hand experience. While established luxury brands continue to be popular, there is a growing number of sophisticated customers in China who are interested in discovering new niche brands with high-quality products and correct price positioning. This creates a market opportunity for Made in Italy companies to target and win over this segment of customers through effective communication strategies.

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