

TRAVEL AND HOSPITALITY

When could Chinese tourists return to the world stage?

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Affluent Chinese tourists are in no hurry to revive their pre-pandemic travel plans. Image credit: Shutterstock

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One of the critical questions for luxury brands over the past two years is when or *if* Chinese tourists would return in pre-pandemic numbers to boutiques in Europe, North America, Japan, and elsewhere. Largely kept close to home due to unpredictable COVID lockdowns and restrictions, Chinese tourists have spent far more time exploring their own country, driving a boom in [outdoor activities](#), [RVing](#), [winter sports](#), and [camping and glamping](#).

This has translated to a major shift in how Chinese consumers spend on luxury. Having taken their place as some of the biggest spenders at boutiques in Paris, Tokyo, and New York in the years prior to the COVID-19 pandemic, outbound Chinese tourists [seem to be in no rush](#) to crowd onto long-haul flights. Now, as Chinese tourists are just as likely to make high-end duty-free purchases [in Hainan](#) as at Bicester Village, the question for any luxury brand, hotel chain, and tourism organization is when mainland Chinese tourist-shoppers will make their big comeback on the world stage.

Looking into this and other key questions, [ILTM](#), in collaboration with the data firm [Altiant](#), published a [new report](#) aimed at separating buzz from reality in the global travel industry. Based on surveys with nearly 500 affluent travelers from the APAC region (Australia, mainland China, Hong Kong, Japan, Singapore, and South Korea), the report looked at current and future travel intentions.

Here are five takeaways for anyone interested in what could be for Chinese tourist-shoppers in the years ahead.

1. Chinese tourists are most likely to travel domestically over the next 12 months

Dampening any hopes of a near-term turnaround in outbound tourism, Chinese tourists and their Australian counterparts indicated they plan to travel closer to home over the next 12 months. Considering the Chinese government's strict adherence to its "dynamic zero" COVID policy, which continues to impose [unpredictable lockdowns](#) and makes medium-term travel planning next to impossible, this is fairly understandable.

2. Chinese tourists are in search of mental TLC

According to the survey results, the desire among Chinese tourists for mental wellness trips rose 16 percentage points. This tracks with China's **broader health and self-care boom**, which has enticed a wide range of global and domestic brands to offer wellness-based experiences and retreats. Basically, affluent Chinese tourists are burnt out and looking for travel that offers some mental and physical TLC. Potentially bad news for luxury boutiques in bustling city centers, but great news for five-star hotels in far-flung areas, like **Anantara Xishuangbanna** or Bhutan's **Amankora**.

3. But they're not averse to lavish spending

Even if more Chinese travelers plan to opt for a little domestic de-stressing rather than high-octane shopping sprees, the majority plan to spend more in the year ahead. But they're also more likely than average to travel to celebrate something like a milestone birthday (70 percent compared to 45 percent among all APAC respondents), take more extravagant trips (59 percent compared to 37 percent), and echoing the "**revenge spending**" we've seen among Chinese consumers after sporadic COVID lockdowns travel "to make up for lost time" (56 percent compared to 44 percent).

4. They're increasingly eco-friendly

Another change identified in the survey is that affluent mainland Chinese tourists have become more sustainability-minded when making travel plans. With a growing number of companies and booking platforms including information about the environmental impact of a guest's trip, 87 percent of Chinese respondents said this information would influence their choice to book to some extent. This is noticeably higher than the average among all APAC respondents (68 percent). In general, the importance of sustainability and environmental protection is significantly higher among mainland Chinese respondents (66 percent) compared to all APAC respondents (31 percent), indicating that brands, hotels, and travel destinations that clearly communicate their green credentials are likely to benefit.

5. Chinese travelers are most likely to prefer extra time over money

One interesting takeaway from the ILTM/Altiant survey is that the vast majority of Chinese respondents would rather have five hours of free "me time" per week to pursue their interests and hobbies than an additional 4,000 yuan (\$562) per week. This indicates that mainland Chinese consumers whose lives continue to be upended by COVID-19 lockdowns have reappraised what is important to them in life over the past two (nearly three) years. This further indicates vast demand for leisure travel in the year ahead, if and when these affluent individuals have free time.

Taken all together, ILTM and Altiant's data paints a complex picture of affluent Chinese tourist sentiment in the year to come. It indicates that affluent Chinese consumers *want* to travel and spend lavishly while doing so, but their enthusiasm for long-haul trips has waned after nearly three years of on-again-off-again COVID restrictions. Yet this hasn't translated to a lack of enthusiasm for eco-friendly travel, interest-based travel or, perhaps most importantly, travel that helps recharge their exhausted mental batteries.

So who stands to benefit from the changing affluent Chinese traveler?

The most obvious winners could be five-star resorts far from the hustle and bustle of major metropolitan centers, which offer luxurious spa facilities and pretty much anything clearly related to health and wellness. Think the **Banyan Tree in Lijiang** or the **Six Senses Qing Cheng Mountain** in Chengdu. But branded luxury spas and retreats also stand to gain, particularly among affluent Chinese unable to take extended trips.

Looking to leverage the growing demand for beauty and wellness options convenient for city-dwellers, **Christian Dior opened** its first-ever **Dior Luxury Beauty Retreat** in Shanghai's IFC Mall this June, while the L'Oral-owned anti-aging skincare line Carita brought luxury spa services to several deluxe hotels including Mandarin Oriental Wangfujing in Beijing, Mandarin Oriental Shenzhen, and Shanghai Jianyeli Capella this July.

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