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TRAVEL AND HOSPITALITY

Will outbound travel from China rebound in 2023?

December 22, 2022



As China relaxes its COVID-19 restrictions, global brands and overseas retailers may hope to welcome "revenge travel" in the coming year. Image credit: Shutterstock

By Jing Zhang



There are hopeful signs that overseas travel for mainland Chinese residents may resume in the not-too-distant future as the country shifts its pandemic policy away from "Dynamic Zero."

According to the most recent China Travel Trends Report by ITB China, 65 percent of surveyed Chinese travel companies think that the outbound travel market will recover in a year or less.

Additionally, Dragon Research's Chinese Traveler Sentiment Report found that 17 percent of respondents stated they would travel overseas as soon as travel restrictions allow it, with a total of 38 percent planning to travel within six months.

Top reasons include trying local food (60.8 percent) and experiencing local life (56.7 percent), with shopping coming in at number five. Hong Kong, Japan, Macau, Thailand and South Korea were, in order, the top five desired destinations, while the United States ranked towards the bottom for perception of safety.

Nature tourism topped the wish list, according to Dragon Research, which also cites that 88 percent of respondents now care about their impact on local environments, so sustainable resorts and locations will gain broader appeal.

The Jing Take: While the concept of Chinese revenge travel will be music to the luxury market's ears, the top destinations listed above all Asian might surprise some.

Many would-be travelers are still wary of how other places handle COVID-19, especially after being closed in for almost three years, watching mostly negative news reports of disastrous pandemic situations in the west.

For luxury brands, famed retail streets and retailers, the dent left by absent high-spending Chinese tourists has been hard to fill. But when they come, elevated experiences, cleanliness and safety will be key to winning them back.

The top three considerations when selecting a destination are local safety and hygiene, the destination's public health COVID control measures both at 69 percent of respondents and then pricing at 64 percent, according to the

aforementioned ITB Report.

Tourist favorites such as the United Kingdom's Bicester Village and Harrod's, or Neiman Marcus and Bloomingdale's in the U.S., will need to show these higher standards in-store. And while it might be harder to police public streets such as Rodeo Drive in Los Angeles, Mount Street in Mayfair or Paris' Champs Elysees, the stores on them will need to make nervous travelers feel safe.

The U.S., in particular, has fallen in favorability. No doubt, the coverage of anti-Asian hate there has contributed to this. But it can also be noted that many already well-traveled, wealthy, worldlier citizens will explore and find out for themselves and these tend to make up a large portion of luxury shoppers.

Will Chinese outbound tourism return to pre-pandemic levels in the coming year? Not likely, but there are soft indications of an opening up. And when this comes, brands, be ready.

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