

TRAVEL AND HOSPITALITY

Europe readies to welcome back Chinese tourists, but hurdles remain

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A lack of expert staff, long visa waiting times and high flight prices temper expectations of a post-pandemic boom in Chinese tourists to Europe. Image credit: Shutterstock

By **Jason Wang**

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Europe will likely have to wait until the second half of 2023, or early 2024, to see a large-scale return of Chinese tourists.

Before then, many operational hurdles need to be overcome, including resuming more direct flights, accelerating the visa application process and rehiring tourism personnel to cater to the anticipated influx of visitors.

In 2019, before the pandemic, nearly 10 million Chinese tourists visited the European Union with inbound revenue worth \$12.2 billion, according to World Travel & Tourism Council data.

The same year, Chinese travelers made 166 million overseas trips, spending \$255 billion abroad, according to the World Tourism Organization, making China the world's largest outbound tourism market.

Waiting for the rebound

"The recovery of Chinese outbound travel isn't going to be a case of press-and-play and outbound tourism goes back to the 2019 normal," said Gary Bowerman, Asia travel and consumer trends analyst and director of the consultancy Check-in Asia.

"In many ways, the Chinese market to Europe needs to rebuild almost from scratch after three years, and this will take time," he said.

Once resources are put in place, travel experts say Chinese visitors will initially likely favor major cities in established areas, followed by new and "smaller" destinations, with demand for countries such as Serbia, Albania and Georgia rising.

Many variables that were not relevant in 2019 now need to be considered. These include how quickly flight services can be scaled up, how soon flight prices decline, as well as the ease of obtaining visas and the extent to which destinations market themselves, Mr. Bowerman said.

Scaling up resources

Another downside is that some European tourism boards have allocated little, or no, budget for the China market in the first half of 2023, Mr. Bowerman said.

"They are concentrating on the markets from which visitors helped them rebuild their tourism economies in 2021 and 2022, until they have a clearer understanding of outbound demand from China," he said.

"Outbound travel from China is likely to pick up in the second half of 2023 and could be stronger in the fourth quarter. However, this year will be one for building the foundations of a longer-term recovery."

One reason why the recovery of China's outbound tourism will take time is that many Chinese outbound travel experts, both in China and travel destinations, lost their jobs or were given other responsibilities as there was nothing for them to do for three years, said Wolfgang Arlt, director of the Hamburg-based China Outbound Tourism Research Institute.

"Therefore, a lot of expertise and experience stored in the heads of these persons was lost, and new people have yet to learn anew what is important in this business," he said.

Richard Adam, an international council member of the World Tourism Forum Institute, said: "Like in most other established destinations, European service providers are still challenged by post-COVID-19 consequences and are unable to fully re-staff to previous levels, and they still have reduced flight capacity."

The recovery of Chinese travelers will first occur in established "honey pots," then in second-tier cities in established areas, and thirdly in completely new destinations in uncharted territory, he said.

According to Chinese multinational online travel company Ctrip's early booking data for the May holiday, the only top-10 destination among Chinese travelers heading to Europe is London (ranked sixth), though it is still too early to determine the full picture, travel analysts say, especially as many people might be waiting to see if they can get visas in time.

Sienna Parulis-Cook, director of marketing and communications at Dragon Trail International, said: "Before COVID-19, it took around two days to get a visa to Europe for applicants in China. Now, the waiting period is two months. When European countries improve the capabilities of their visa services in China, this will really help with tourism recovery."

A recent Bloomberg Intelligence survey showed that nearly 92 percent of 1,088 Chinese respondents were considering at least one domestic or international trip by May.

Chinese residents seem to be as enthusiastic about overseas travel as they are about domestic trips. More than 92 percent of respondents planning a holiday over the next three months were considering at least one overseas trip, the survey found.

"Europe could hope to see a significant return of Chinese tourists by the second half of 2023, especially during the October **Golden Week** holiday," Ms. Parulis-Cook said.

"But the recovery depends on a few different factors," she said. "One is the policy regarding group tours and package travel. Group tourism was still very important for the Chinese market to Europe before the pandemic, and it's hard to imagine that traveler numbers could really recover without it."

New destinations

From Feb. 6, the Chinese government permitted travel agencies to restart outbound group travel for Chinese citizens to 20 nations, and an additional 40 countries were added on March 15.

Pundits believe the group tourism list will be increased in the coming months, which will help airlines plan their route strategies.

However, as independent travelers are able to visit all European countries and the EU is phasing out its restrictions on Chinese visitors, the pilot program is likely to become less relevant as the year progresses.

Chinese travelers' preferences for Europe were changing before the pandemic.

In the run up to the pandemic, Southeast Europe experienced a boom in Chinese tourism because of favorable visa policies and its appeal as a fresh European destination.

Serbia saw Chinese visitors surge after a mutual visa-free policy took effect in January 2017. From 2012 to 2019, the

number of Chinese tourists visiting Serbia increased 30 times, according to the country's president, Aleksandar Vui. Experts say several countries would likely want to follow Serbia's lead of offering visa-free access for Chinese tourists, which was a very successful initiative.

"I would expect tourism to return strongly to Croatia, Serbia, Montenegro, Bosnia-Herzegovina and Slovenia, and to spread out to neighboring countries," Ms. Parulis-Cook said.

"Albania especially stands to benefit from its visa-free policy for Chinese citizens and its border with Montenegro," she said.

Mr. Adam echoed the view.

"Albania has a long friendship with China and offers visa-free entry," he said. "It has also very authentic nature and rural culture, but also a vibrant nightlife in the capital Tirana and along the beaches.

"Georgia is among the top-10 countries exporting wine to China, and it has a lot of good food and drinks to offer as well as an interesting mixture of European and Asian culture and buildings."

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