

# SERVICE DELIVERY GUIDELINES PREPARING FOR THE CHINESE VISITOR SHOPPING



Chinese visitation to Australia has been growing strongly over the past ten years and has seen Australia reach its 2020 goal of one million visitors in March this year – making it the largest and fastest growing of all inbound markets.

Year ending March 2016, 34,000 Chinese visitors included South Australia in their itinerary, spending \$211 million, making it our most valuable international market.

Projections suggest that if we maximise the growth of

Chinese visitation to South Australia we could attract up to 57,000 visitors by 2020 with associated expenditure of \$450 million.

To achieve this potential, it is essential we understand the current Chinese visitor, as well

as the likely changes in travel patterns that are to occur over the next five years and look at ways to prepare and deliver the expectations of the market.

The South Australian Tourism Commission in partnership with Fastrak Asian Solutions

has developed this series of service delivery guidelines to assist our industry partners in preparing South Australia to meet the expectations and grow visitation from one of the fastest growing markets – China.

**The number one spend area for Chinese visitors is shopping. They love to shop and in fact have to shop when they travel to bring back gifts for friends / work colleagues as well as family members. They need a range of gifts to acknowledge seniority and hierarchy.**

Chinese visitors are seeking items that are representative of their experience - Australian, authentic, artistic and things that show “knowledge from their travels”. Books, however, can be a dangerous gift, unless they denote learning and knowledge (especially for children).

“Made in China” products cause Chinese to “lose face” and should be avoided. Create and highlight a “Made in Australia” section and within that, a “Made Locally” section, if applicable.

To make it easier for Chinese visitors to shop, group all items that might appeal to them close together and make sure the signage is easily seen. Chinese visitors will often buy multiple identical items so consider bundling items in 2’s or 4’s and displaying the full colour range available.

Once the gifts are bought, Chinese visitors may then seek internationally branded luxury goods for themselves (as Australian prices are very competitive against the 30% luxury tax on such goods in China) and/or higher end local goods.

## Create and highlight a “Made In Australia” section and, within that, a “Made Locally” section

Australia’s reputation for quality, natural products is evident as the key purchases sought by Chinese visitors include:

- Vitamins (Blackmores is well-known)
- Natural skin products (Jurlique is very well-known)
- Local natural products, both produce and craft (and brands like Maggie Beer)
- Wine – recognised brands and also special options

Interestingly, there is also high demand for basic items due to perceived value (quality and price) including: manchester, confectionery and more recently, even Weetbix.

This is why the local markets, access to local crafts and directions to where they can buy local, South Australian or Australian products or brands (especially those known in Asia) and the inclusion of department stores and supermarkets in this thinking are so important.

The most widely available and used cards in China are Union Pay debit cards. Union Pay is a big advantage as it makes payment easy for the Chinese visitor (they know the system) and it gets you visibility on Union Pay’s website back in China. When you get Union Pay, the symbols should be highly visible at your entrance and cashier stations and included in all sales / marketing collateral.

### SHOPPING

- You will need to rearrange some displays
- Westerners browse to buy and Chinese buy because they have to!
- You need to make it easy for Chinese visitors to buy – organise by what is relevant and how many they want
- Must be authentic Australian-made goods – create a separate “Made In Australia / Made Locally” section or area
- Remember the power of Union Pay

### CONTACT

For more information and the full series of Service Delivery Guidelines - Preparing for the Chinese visitor, see [www.tourism.sa.gov.au](http://www.tourism.sa.gov.au)

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