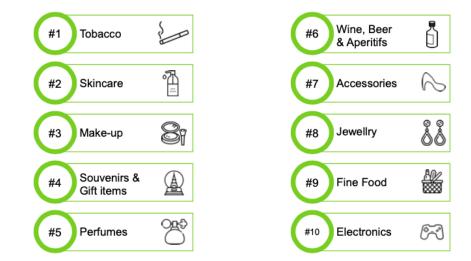
Chinese consumers eager to shop in TR post pandemic

Shopping basket - Chinese shoppers post Covid-19

Product categories **Chinese are more likely than Global** to **continue purchasing**, <u>without changing their</u> <u>shopping behavior at all</u>



Leading industry research agency, m1nd-set, has released the latest in a series of reports on shopping behavior in the post-COVID-19 travel retail context; Chinese travelers are more likely than global travelers to continue purchasing without changing their shopping habits

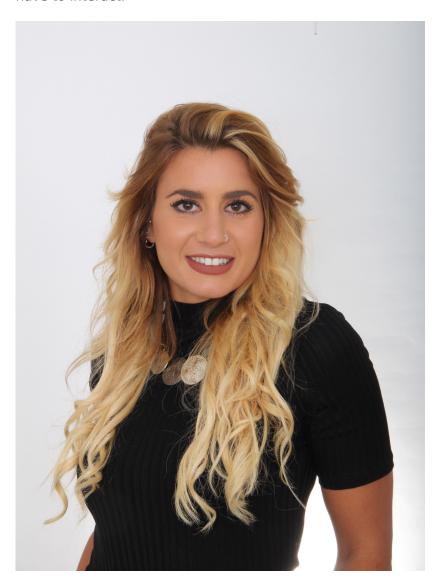
Leading industry research agency, m1nd-set, has released the latest in a series of reports on shopper behavior and habits in the post-COVID-19 travel retail context. The full report includes shopper insights from Europe, the Middle East and Africa, the Americas and Asia, as well as the Chinese market, with representative sample sizes from each world region and market covered.

The first market-specific summary report focuses specifically on the Chinese traveler segment, drawing comparisons to behavior among global travelers; it reveals that a significant majority of Chinese shoppers will continue to visit duty free shops when international travel resumes. Only 15% of Chinese shoppers share they will avoid frequenting the duty free shops as a result of COVID-19.

This latest research also reveals which categories Chinese travelers say they will not change their duty free shopping habits at all, when next travelling internationally, and those which they will continue shopping albeit spending less on the category. The study states Chinese customers were categorical that they will not completely cease shopping in duty free when international flights resume following the lifting of international restrictions. Tobacco, Skincare, Perfumes, Make-up, Wine and Gift items emerge as the primary categories for which there will be no change in shopping behavior. As for the segments where spend will be less because of the pandemic, the research shows that some Chinese will spend less on Tobacco, Skincare, Perfumes, Make-up, Accessories and Gift Items.

According to m1nd-set, Chinese travelers still have some fears and concerns and will be significantly more wary of interacting with sales staff. Around two-thirds of Chinese travelers note they will refrain 1

from interacting with sales staff when traveling internationally again. Around 60% of Chinese travelers and just over half of all travelers share they will take precautions such as wearing a mask, if they do have to interact.



A snapshot of Anna Marchesini, Project and Business Development Manager at m1nd-set

"The reluctance among Chinese shoppers to engage with staff will inevitably diminish the impact of a vital touch point which has proved to be highly effective in converting browsers to visitors. Brands and retailers will need to restrategize on how they can better capitalize on their human touchpoint and encourage Chinese visitors to shops to approach the sales staff. They will continue to try, test and taste products in the shops, but will be taking more precautions. It's up to the brands and retailers through their brand ambassadors and sales associations to ensure the Chinese travellers feel reassured and protected," says Peter Mohn, CEO & Owner, m1nd-set.

"As well as these safety measures that will be required to reassure *all* nationalities, not just the Chinese, we believe the industry has reached a key milestone with [COVID-19]. We believe this current period will be a turning point in the way the industry has been marketing to travelers. We expect to see a marked shift towards more data-centric marketing and inevitably a much stronger emphasis on digital, which the industry has been notoriously slow in implementing. The Chinese traveller presents the perfect opportunity and the timing is also opportune," explains Anna Marchesini, Project and Business Development Manager, m1nd-set.