

Research on Improving Tourist Shopping of China in Domestic Market

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Abstract. Shopping is an important element of the tourism economy. Through the standardization, shopping is the only one element out of six elements with the characters of unlimited consumption, which can be used to expand the tourist spending in destination. In the process of economy transformation from exports to domestic consumption, the function to stimulate consumption of tourism services is not very good play. Unfortunately, shopping sector has been the most complained element caused by compulsory in special tourist shopping market. The complain have already damaged the total experience value of tourism destination. Based on the research, in order to promote the development of tourism shopping industry, tourist stores should provide valuable product to customer. The tourism destination should expand the scope of goods. The government should strengthen supervision and create a fair trading environment.

Background

In the process of economy transformation from exports to domestic consumption, the function to stimulate consumption of tourism services is not very good play. Instead of promote the growth of domestic consumption, tourist shopping is trapped in a prolonged negative opinion. For Chinese tourists, shopping is an important part of tourism.

In recent years, more and more Chinese people enjoy shopping abroad. When Chinese tourists traveling to Europe and the United States where the international brands cheaper than domestic market, without the shopping program in the itinerary, it will directly cause complain.

Although the Chinese government attaches great importance to the development of the tourism shopping, however, in tourism revenue, the amount of tourist shopping consumption accounted for only about 20% of the total tourism consumption, and it is a big gap between developed countries' 40%-60%[1]. With the less domestic tourism shopping income, accompanies with the most complaints, mainly focus on the poor quality of the commodity, the problem of counterfeit goods and the low level of business integrity such as shoddy[2]. The worst events have focused on the low price trip designed by zero or negative fares in the tourism product, in order to cover the cost or make a profit, the compulsive shopping severely damaged the ecological system of tourism shopping, also caused great negative impact to the destination development of tourism industry[3]. The paper will focus on the reason and measures can be taken to improve the domestic tourism spending.

Literature Review

There are six elements involved in tourism industry, food and beverage, accommodation, transportation, travel, shopping and entertainment. Over a long time government control, five out of six elements such as food and beverage, accommodation, transportation, travel and entertainment sectors have formed the standardized products and standardized price. When tourist purchases a service product from the travel agency, the contract will states detailed information about the whole journey, such as how long the journey will take, how much the tourist should spend during the journey, how much will cost each meal, which kind of hotel will be the accommodation, how many and which attractions will be viewed, which kind of entertainment will be enjoyed, even if which types of transport traffic will be used during the journey. Any changes in itinerary will cause the complains to the travel agency. So the fees charged in these five elements of

tourism industry is known as limited or basic consumption. But for government, there is no way to standardize the total number of purchasing, so the shopping section also referred to as unlimited or elasticated consumption.

Shopping section is more valuable to promote the tourist spending. In other words, the level that the destination attracted the tourist to spend in shopping, also means that the level of the destination tourism development[4]. The degree of consumption on shopping depends on the level of valuable products provided by the tourist destination. In tourism developed countries and regions, the destinations attach great importance to developing tourism shopping, by providing high quality shopping environment, the high quality products, excellent service to lure the tourist to shopping. Tourism consumption promoted the employment and economic development of the tourism destination. Some tourist destinations directly use shopping as the core tourist attraction to attract tourists[5]. The amount of shopping accounted for 40 to 60 percent of the total tourism economy.

In 2013, The total amount of luxury goods purchased abroad by Chinese residents amounted to \$74 bn, of which 62 per cent were branded watches, packages and jewelry. Cosmetics, clothing and shoes accounted for 38 percent [6]. In 2014, the number of Chinese citizens traveling abroad reached 107 million, and the tourism cost \$89.64 bn[7]. In 2015, the outbound number climbed to 120 million, the abroad tourism spending rose up to 684.1 billion yuan, and the personal traveling accounted for more than 80 percent[8].

From the perspective of regional distribution, Chinese tourists spend more than 7,000 yuan per ca-pita in developed countries such as Japan, South Korea, the U.S.A and Europe. At Heathrow International Airport, 1 per cent of Chinese travelers created 25 per cent of duty-free sales. In 2015, The purpose of going abroad for shopping is more than sightseeing: the percent for shopping accounted for more than 53.6, the consumption for shopping accounted for 55.8 percent of total consumption[8].

Research Methodology

Based on the literature review, the research uses the interview methods to collect information about the reason and the measures can be taken by the government or stakeholders to improve the tourist shopping consumption. The stakeholders will include the tourist, who takes part in the low price group tour; the group of retailers, who is running the tourism shop, looking for the reason that caused the problem; the group of tourism guard, who is the person connects the tourist with the shop; and the group of the government administration of tourism management, seeking for the measures should be taken to make sure the improvement of tourism destination brand and sustainable tourism development.

Research Findings

According to the information from the interviews, there are some basic points for the reasons caused the complains:

Under the pressure of tight competition, some travel agencies using a low price tactic to lure tourist, then makes shopping commission as the source of profit by transporting customers to shopping stores.

The tourist who participate the low price group tour know it clearly and when they start their journey, they always keep in mind with the philosophy of buy nothing during the tour. Just because they do not want to be cheated by useless product. They just want to enjoy the low price of journey. But in fact, they are feared be unfair treated during the trip, so the purpose of enjoy the journey has gone away. When customers know the product fair price later, complaints will be inevitable. A large number of complaints can slow the development of tourism shopping industry.

The shop owners know it is more difficult to cheat the tourists spending, so they are working hard on promotion skills to break through the tourists bottom line and encourage them to spend. In order to ensure enough customers, the tourist shopping stores have to increase the rebate for travel agencies, tourist guide. They need to maintain a higher gross profit margin so that the profit can

meet the need of their own and commission together. So most of the product's price is not transparent, such as jade, pearl, tea. The price does not match the goods. Even if they face the complain, the worst result will be refund to the customer who complained, within the framework of norms and the law, the rest of the profit is still significant.

For the tour guide with a negative fares group, their professional skills require he or she providing an excellent service to their customer, creating a good tourism environment, helping customer to feel the beautiful of viewpoints, meeting their need of comfortable, funny, and easy, making sure that they can enjoy their leisure time. But now, with the pressure of making money from the group spending, he or she need to struggle for profit. Without shopping spending, she or he will make no money by providing the service to customer. But they are human being, they got parents, they got kids, and they need to survive in the world. They need the income to maintain the running of their family. It is more difficult for guide to find a risk-reward tradeoff.

Analysis and Measures

It is not hard to see the reason for the domestic tourist shopping underdeveloped, the key is neither the customer does not enjoy the traditional shopping, nor visitors without the ability to shopping, the first problem is the content of "purchase", namely "what to buy" problem. The second question is "I want to buy" or "force me to buy", it is connected with the tourist buying mentality. The third problem is that the price of the goods, should follow the business logic of "value for money". Aiming at the above three problems, this paper argues that three solutions can be adopted as the following:

Products Should be "Excellent Quality with a Reasonable Price"

In China, "shopping group" for tourism is another words of "rip off group". Also Chinese tourists, the consumption of shopping abroad cannot be said to be low, the amount of shopping can't be said little; It is also difficult to stimulate tourists' impulse to spend money in domestic market by taking part in a special shopping group.

In an era of more strictly regulated, higher gross profit margin for general products have a smaller survival space, complained "rip off store" will be reported in public network, "rip off guide" will be listed in the network of public space, new visitors only need to search, the fraud and deception information will come out to them. Behind the progress of technology, there will be no winner among the three parties involved.

In order to develop the famous tourism destination brand, the destination government spends a lot of money on marketing to promote their attractions and tourism facilities, they want to attract more and more customers with a excellent imagines. They will take measures to protect their brand name by punish those operator who damage their destination brand, so it will be no space for those "rip off shop" owners to survive. The local government need them to add value to their brand not the reverse.

So it is time for shop owner to provide excellent product with meaningful price to tourists. And it is time for travel agency to do something right to help build loyalty of tourist, instead of negative impact on local destination brand. Without the profit pressure of the guides, the service quality should be higher, and they can maintain a positive relationship with their customer and then perhaps the sustainable consumption will last forever.

Creating value for customer is much more important than creating value for the guides themself. Travel agencies and businesses should use wisdom to provide visitors with comfortable services, help customers save money. Base on the perspective of customer value, tourist stores managers should create value for customers by providing suitable goods with a reasonable price, changing the mindset of rip off into a normal commercial. Creating value to clients is the cornerstone of their survival.

To Meet the Various Needs of Tourists Shopping, the Tourism Destination Should Expand the Scope of Goods

According to an online survey conducted by the China economic network in 2011, nearly 50 percent of tourists will choose to buy souvenirs from tourist attractions or scenic spots, but 34.09 percent of tourists will choose to shop at local stores. The goods that tourists buy abroad are not all the products of local special, most of them are ordinary commodities, such as buying small electronics and cameras in Japan, buying perfume in Paris, and buying leather clothes and leather shoes in Italy. Tourist destination, except developing tourism souvenirs, native products, should expand the types of tourist commodities in order to meet the demand of tourists personalized shopping. The sales of high-quality top-quality products also help tourists to make the same impression on tourist destinations and increase their sense of identity with the destination. This kind of product can come from local shopping system. By mix the local shopping system to tourism shopping system, it will reduce the number of tourist shopping complaints.

The Government Should Increase Supervision and Create a Fair Trading Environment

"Tourism law" article 35 makes a clear regulation, the travel agency shall not provide unreasonable low price to lure tourists. The national tourism administration will open a platform for tourists to evaluate tourism enterprises and employees on the internet, forming a positive mechanism for the selection of the fittest. By establishing and improve the public information system of travel, publishing the "record of travel dishonesty", publicizing illegal and illegal information according to law, the system of sharing information with the related industry will make illegal tourist enterprises and employees disappear. Some tourist destination government has begun to build wisdom tourist shopping platform, the platform will effectively solve the tourism shopping problem of long-distance management and long-distance services, such as the quality problem or price problem. Development of shopping system can effectively promote shopping environment and shopping experience to promote the development of shopping industry in China.

Conclusion

Sustainable tourism development is the source of money for all the sectors involved in tourism industry. So it is necessary to take actions to create the destination brand so that more customers can be attracted to the destination. No customer, no business. Tourist stores management personnel should from the perspective of creating value for customers, provides appreciate goods and reasonable pricing. In order to meet the various needs of tourists shopping, the tourism destination should expand the scope of goods. The government should increase supervision and create a fair trading environment. Wisdom tourist shopping platform will effectively solve the problem of tourism shopping long-distance management and long-distance services, can solve the quality problem, price problem. Development of shopping system can effectively promote shopping environment and shopping experience to promote the development of shopping industry in China.

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