

## US remains popular destination for shopaholics: WTTC

- A Monitor Desk Report

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**Dhaka: The United States of America remains the preferred choice for shopping holidaymakers. It was the largest contributor of retail tourism to GDP in 2019 (USD 34.7 billion). Despite the challenges posed by the Covid-19 pandemic, the US retained its leading position in 2020 with USD 17.5 billion and continued to grow in 2021, contributing USD 23.9 billion to the country's economy through retail tourism, as per the latest report revealed by World Travel and Tourism Council.**

While participating at the Virtuoso Travel Week held in Las Vegas on August 13-18, Julia Simpson, President and CEO, WTTC, said, "Retail tourism is a thriving market segment of the travel and tourism sector in the US."

"For millions around the world, shopping is one of life's great pleasures. The pandemic impacted both travel and retail industries severely, but as

the world reopens, this report shows how the retail experience can become a journey too.”

“Our latest findings on the US reinforce its allure as a shopping mecca, highlighting the vital role that retail tourism plays in the country’s travel and tourism sector.”

According to the report, in 2019, retail tourism was worth USD 178.2 billion, equivalent to 6 per cent of the travel and tourism sector, and can represent more than 15 per cent in some destinations.

The latest report by WTTC seeks to provide valuable insights into people’s shopping habits when travelling, such as out-of-town retail destinations; the latest trends in retail tourism, such as sustainable retail, and the immense potential it holds for destinations and businesses.

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Governments that incentivise this retail segment with tax-free shopping have seen tourism revenues boom. Countries like the United Kingdom that scrapped tax-free shopping have seen visitors move to other countries like France or Italy, depriving the UK economy of critical export revenues.

In Paris, retailers have thrived since France set a three-day VAT rebate window for purchases exceeding EUR 100 in 2019, with The Bicester Collection witnessing a dramatic spike in Paris visits, surpassing London as the UK phased out its VAT refund scheme.

The research report will also include recommendations for both the public and private sectors, aiming to guide destinations in attracting new visitors, incentivising retail tourism, and fostering sustainable growth in this sector.

The joint research collaboration between WTTC and the Hospitality and Tourism Research Centre of The Hong Kong Polytechnic University, in collaboration with The Bicester Collection, will be published on September 7 during an event taking place at La Roca Village, part of The Bicester Collection, in Barcelona, Spain.

