Mobile payment schemes to encourage higher tourist spending

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Retail firms should take advantage of the growing foreign arrivals market by implementing more mobile and digital payment schemes, a property consultancy firm said.

"Colliers encourages mall operators to cash in on rising tourist arrivals and spending by acquiring mobile payment schemes that cater to Metro Manila's major tourists markets such as the Chinese and Korean visitors who cover about 40 percent of the country's tourist arrivals," Colliers International said in a report.

In the first quarter of the year, a total of 2,049,094 international visitors entered the country, a 14.8 percent rise from 1,784,882 in the same period a year ago, data from the Department of Tourism (DOT) showed.

Korea and China remain the country's top two source markets, with Korea posting a total of 477,087 arrivals during the period, an 8.22 percent rise.

Meanwhile, China registered a 54.53 percent rise in arrivals to 371,429, higher than the 240,354 posted in the same period last year.

"Colliers encourages retailers and mall operators to take advantage of rising expenditures from Korean and Chinese tourists and tweak their offerings based on the foreign visitors' preferences," it said.

Data from the DOT showed that visitor receipts in the first two months of the year nearly doubled to P78.82 billion from P40.08 billion registered in the same period last year.

Korea and China were the top spending markets during the period, generating a total of P21.98 billion and P16.34 billion worth of receipts, respectively.

"Mobile payment schemes are becoming more popular among Chinese tourists and Colliers believes that mall operators and retailers should cash in on this growing trend by adopting convenient and secure mobile payment systems," Colliers said.

The property consultancy firm added that several mall operators have already taken advantage of this trend, particularly Robinsons Retail, which rolled out WeChat pay in their Robinsons Malls after implementing GCash and PayMaya services.

"WeChat is the largest social payment app in China and should lure in more Chinese visitors to stop in Robinsons-affiliated retail outlets," Colliers said.

Data from the DOT's Annual Visitor Survey 2017 showed that Chinese tourists in the country spent almost $50 per day, with an average length of stay of 6.24 nights.

Shopping, sightseeing, and nature and adventure were the usual activities of the Chinese travelers.

In addition, Chinese vacationers spent most at department stores, souvenir and curio shops buying food delicacies, apparel, textile and garments, arts and crafts.
For this year, the DOT is expecting Chinese tourist arrivals to hit 1.5 million.