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Planet **UK VAT RES** research

Survey results and insight

UK VAT Retail Export Scheme (RES)

Understanding shoppers and UK VAT RES

Key survey questions – Chinese tourists



Regions visited
outside of London



Primary reason for
visits



Effect of UK VAT RES
decision on length of
stay



Alternative European
destinations

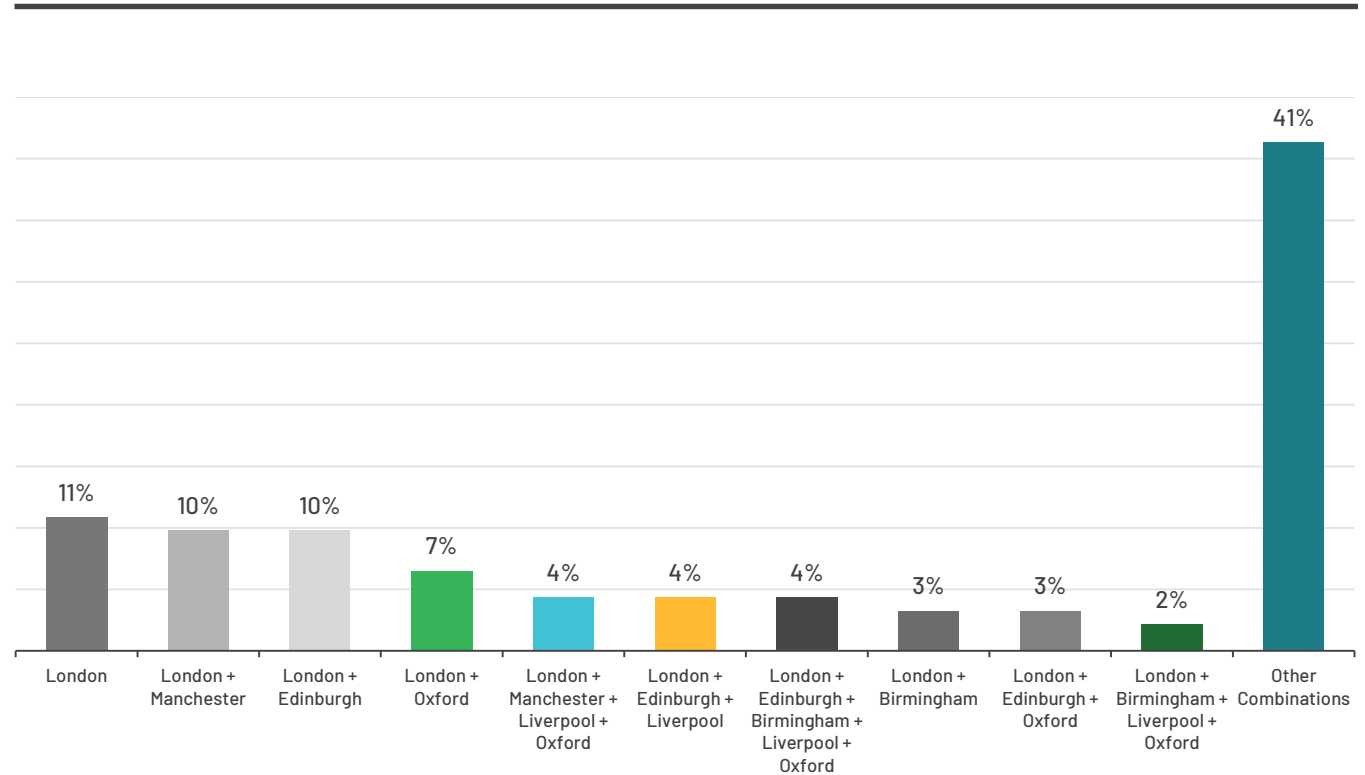


Impact on spend of
digital Tax Free
shopping

China Survey: Which of the following UK cities did you visit?

1. London
2. Manchester
3. Edinburgh
4. Victoria
5. Leeds
6. Birmingham
7. Maitland
8. Liverpool
9. Oxford (Bicester)
10. Others

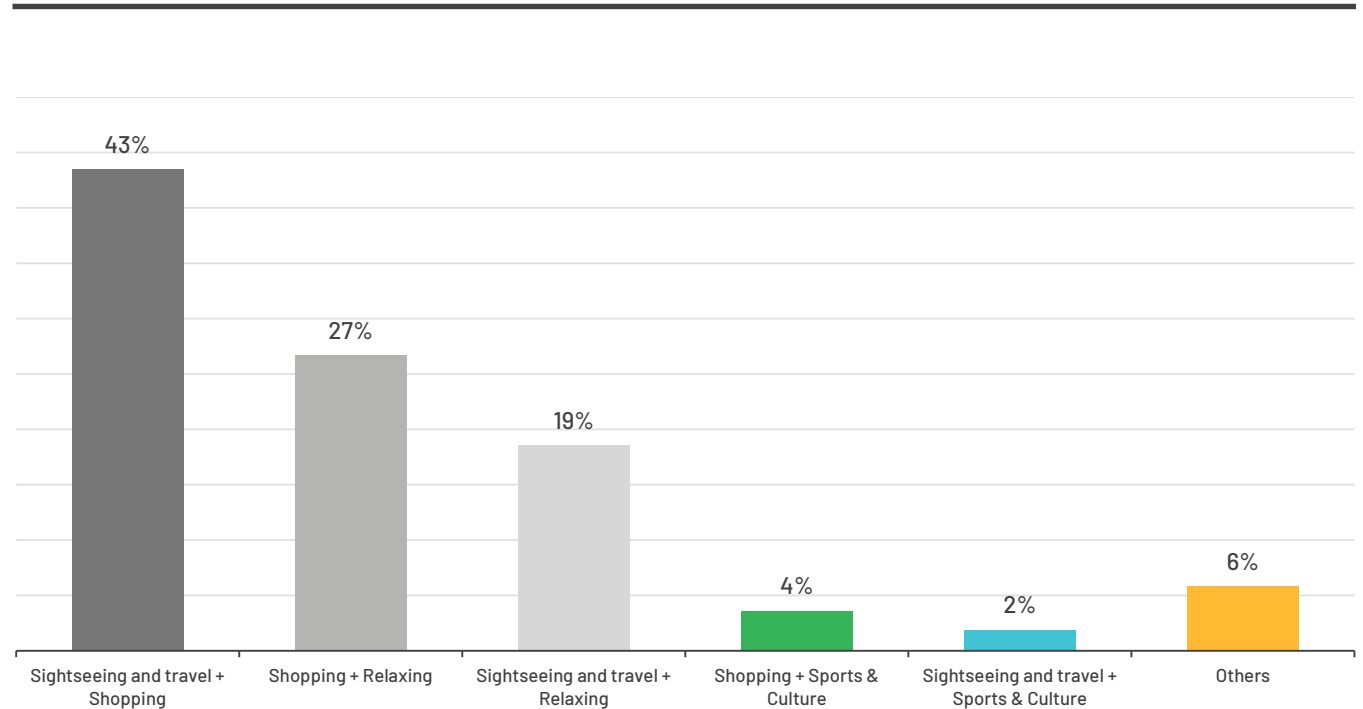
Only 11% of visitors visit London alone, with a number of regional cities also benefiting from these visitors



China Survey: What will be the two primary reasons for your next trip to the UK?

1. Sightseeing and travel
2. Shopping
3. Visiting Family
4. Relaxing
5. Sports and Culture
6. Others

Of those intending to travel to the UK, 75% suggest they will engage in shopping activities as part of their trip

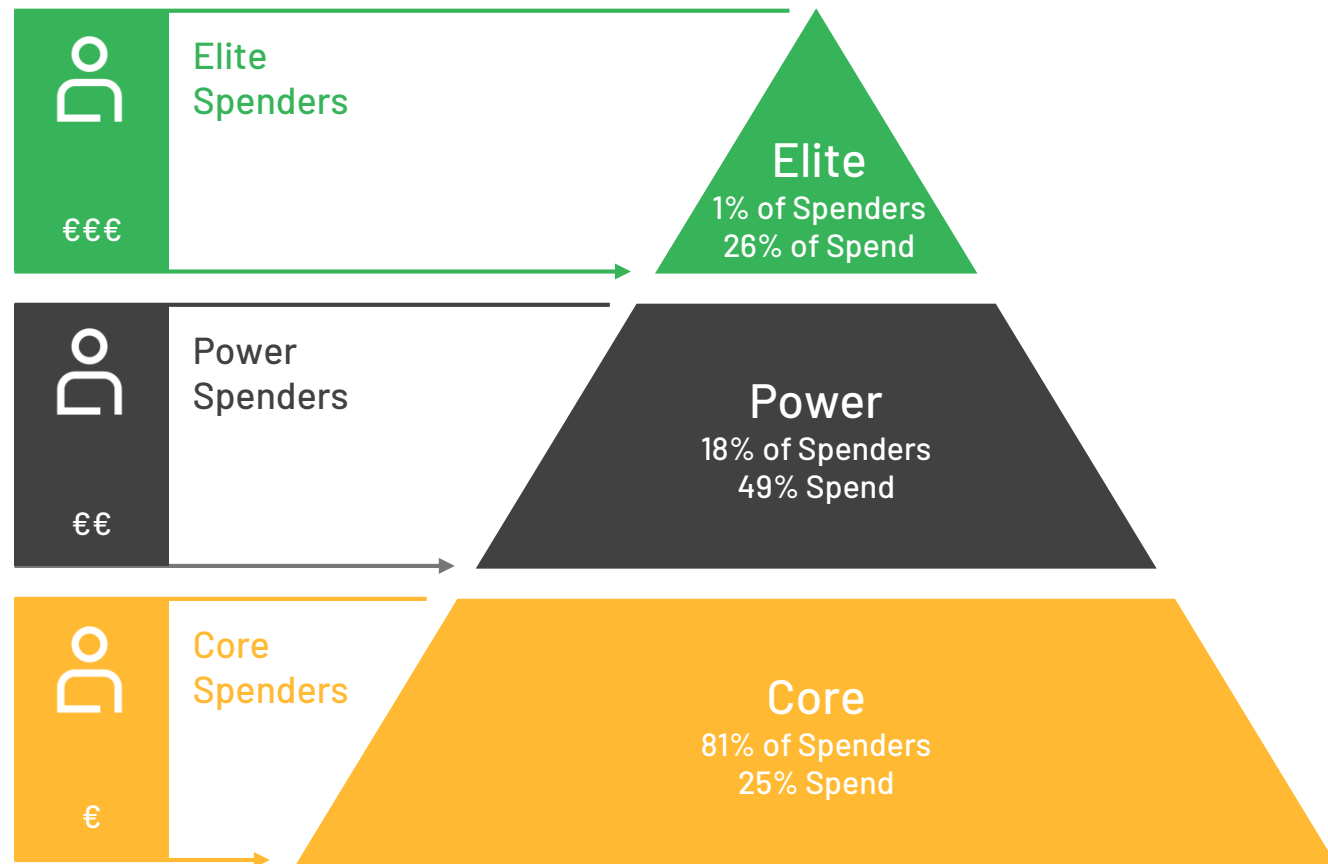


Europe International spender segmentation

Based on sales in
European destinations
in 2019.



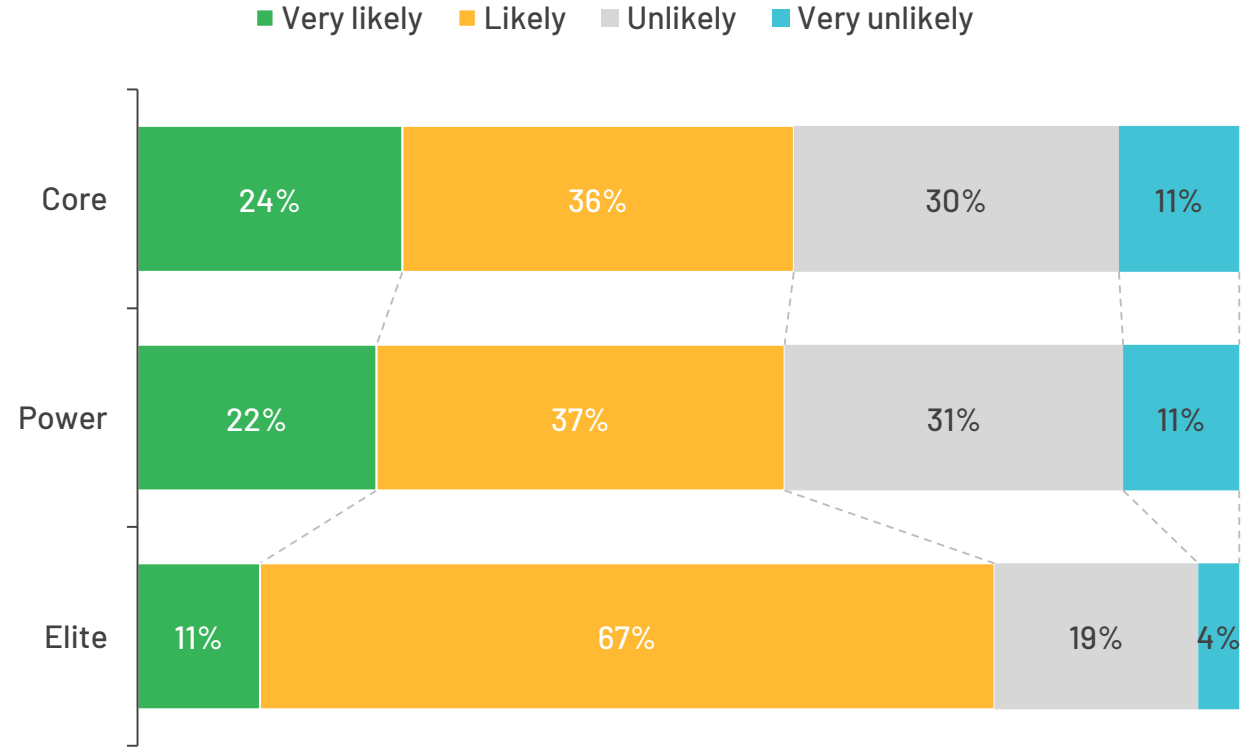
Elite Shopper defined
as a shopper with more
than €12k spend in the
12 month period.



China Survey :

Post the government's VAT-Res decision, how likely would the "lack of tax free shopping" deter you from traveling to the UK?

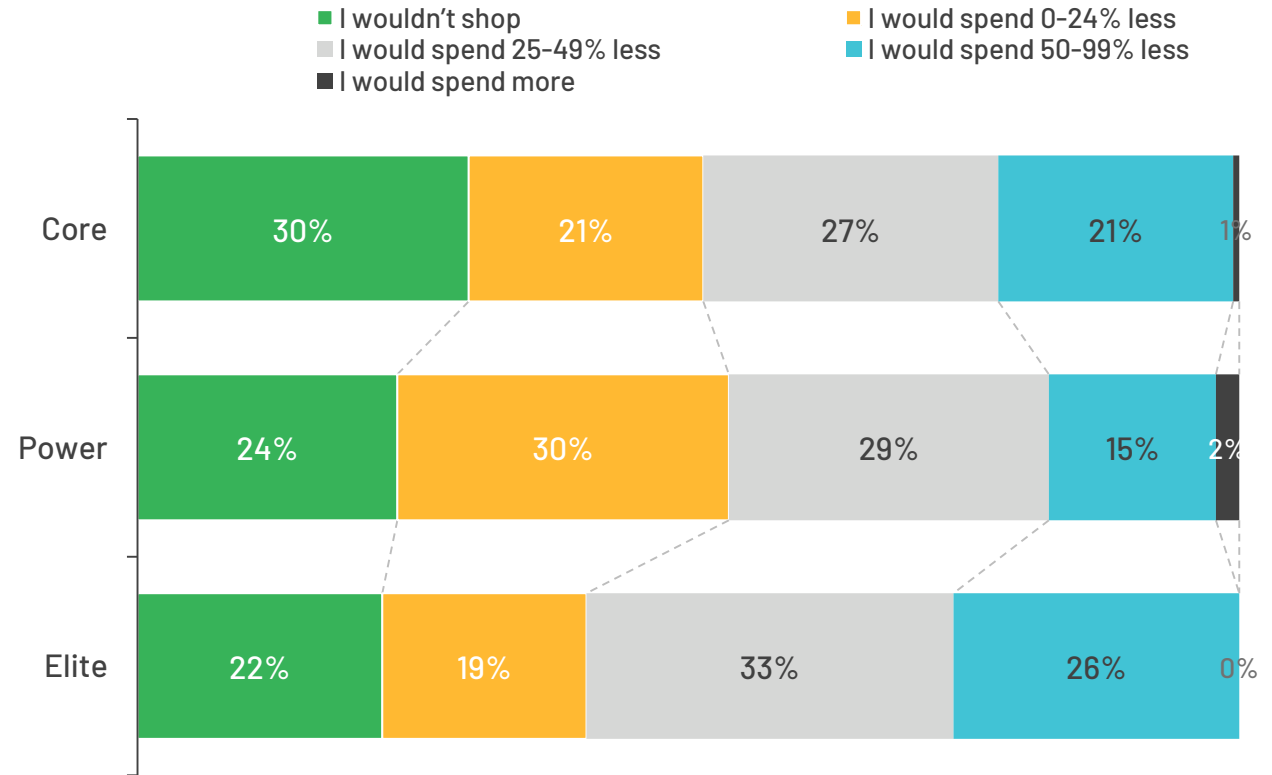
While 78% of 'Elite' shoppers would likely be deterred from travelling to the UK, this would not only influence the HNWI's, with 59% and 60% of 'Power' & 'Core' shoppers also indicating that this Likely or Very Likely negatively influence travel destination choice.



China Survey :

How would your shopping experience be affected as a result of the UK government's decision on VAT refund?

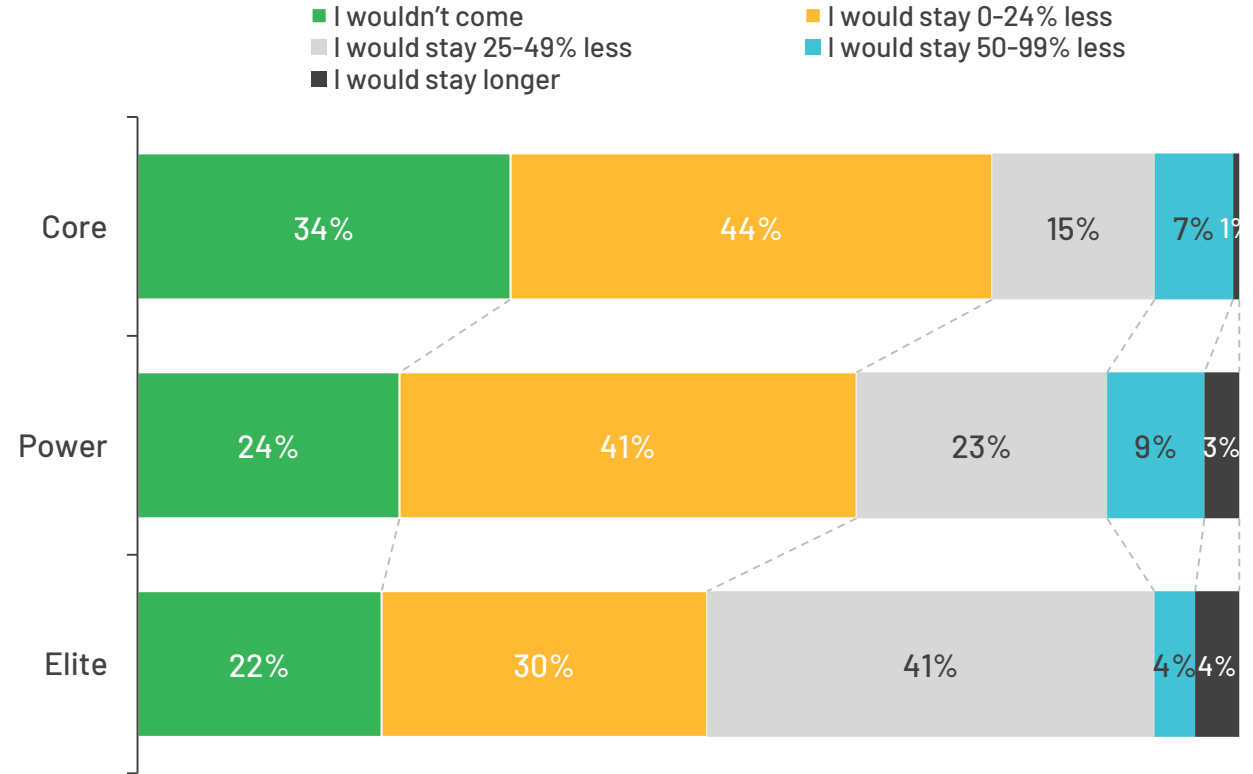
While 74% of 'Elite' shoppers would not spend or up to 50% less than originally intended, 83% and 78% of 'Power' & 'Core' shoppers also indicated that they would either not go shopping or spend up to 50% less than originally intended



China Survey :

How would your length of stay be affected as a result?

While 93% of 'Elite' shoppers would either not visit the UK or spend up to 50% less time in the UK than originally intended, 88% and 92% of 'Power' & 'Core' shoppers also indicated that they would either not visit or spend up to 50% less time in the UK

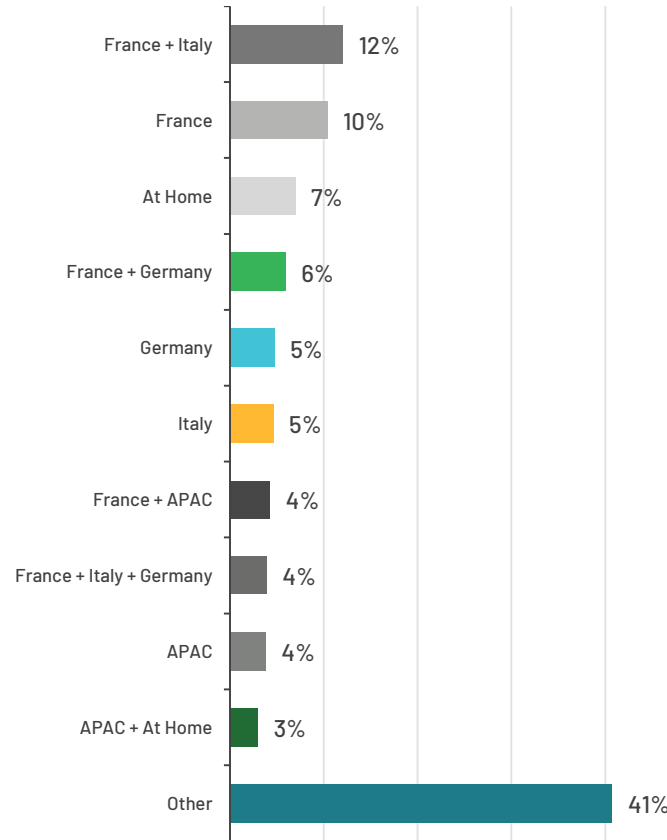


China Survey: Where would you likely spend instead if not in the UK?

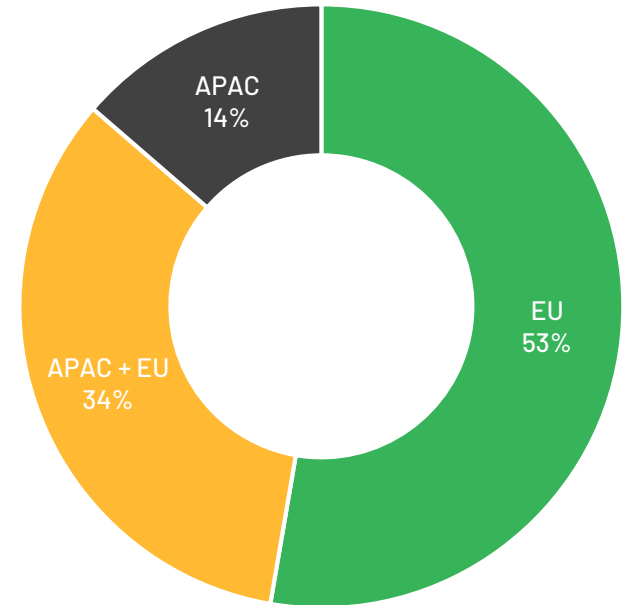
1. France
2. Italy
3. Spain
4. Germany
5. Other Europe
6. Somewhere in the APAC region
7. Other countries
8. At home

53% of tourists will divert spending intentions to other European destination, with a further 34% diverting this spend to a combination of APAC & Europe

Alternative destinations for spend



By Region

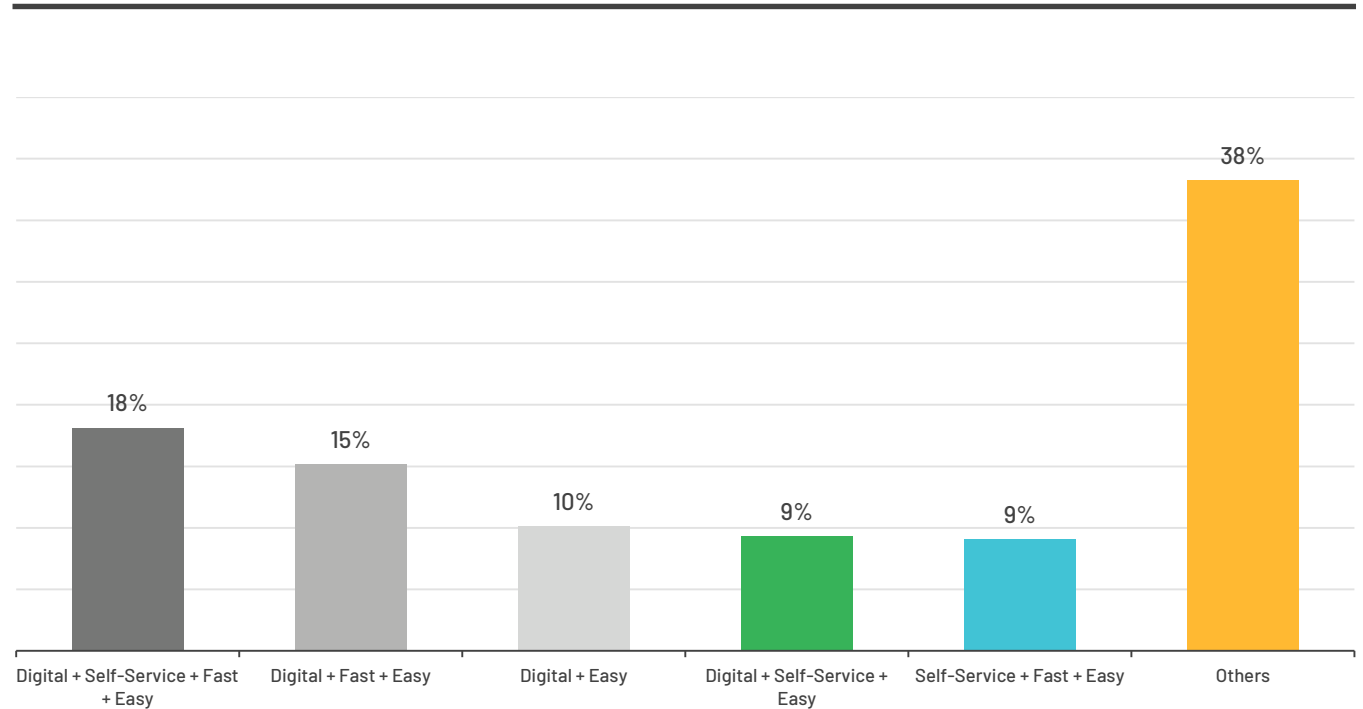


China Survey:

Would you be more likely to spend on Tax Free shopping if the refund process was:

1. Digital
2. Self-service
3. Fast
4. Easy
5. Others

69% of consumers suggested that if the Tax Free process was Digital, that this would increase the likelihood of further spend

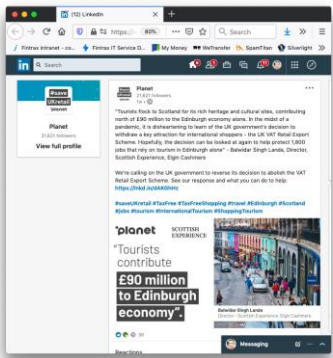
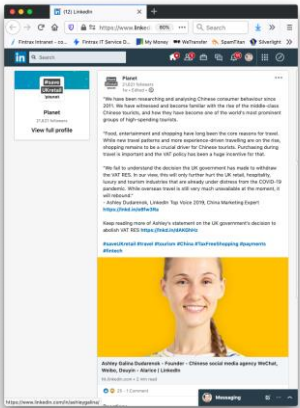


Our response

Letters to the Chancellor



LinkedIn posts – customer/partners quotes & news updates



We're calling on the UK government to reverse the decision to abolish VAT RES. We're asking the government to work with the industry to implement a digital system to ensure UK tourism is competitive with other European markets. See our response and what you can do to help.

LinkedIn posts – myth busters

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#DidYouKnow

Myth: Tax Free shopping costs the UK money. It makes sense to withdraw it.

#saveUKretail

No. Tax Free shopping helps attract international visitors to the UK where in 2019, they spent about £28.4 billion.

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#DidYouKnow

Myth: Tax Free shopping is the same as Duty Free.

#saveUKretail

Busted. Tax Free shopping takes place on the UK's high streets and shopping centres; 'Duty Free' only applies at airports.

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payments without borders