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JOINT MEDIA RELEASE:

SHOPPING TOURISM – OPPORTUNITIES FOR ECONOMIC REVIVAL

This release is on behalf of members in all of the following organisations:

- BBKLCC Tourism Association Kuala Lumpur (BBKLCC)
- Batu Road Retailers Association (BARRA)
- Bumiputra Retailers Organisation (BRO)
- Industries Unite (IU) – coalition of 123 trade associations & chambers of commerce
- Malaysia Retailers Association (MRA)
- Malaysia Retail Chain Association (MRCA)
- Persatuan Pengurusan Kompleks Malaysia (PPK) – Malaysia Shopping Malls Association

We refer to the recent call to exclude shopping in a tour itinerary but believe this is not the solution to solve the practice of tour agents demanding commission to bring tourists to a connected shop.

Shopping is a natural must in all tourists' itineraries apart from sight-seeing, meals and entertainment. So long a travel itinerary does not include a must visit to a nominated shop, shopping should indeed be an important agenda and to be encouraged and developed. Bringing tourists to shopping in a shopping precinct or shopping malls but **not** to specific shops should be allowed and in fact, encouraged instead. Therefore, we support the Tourism Minister's intention for tour operators to schedule breaks in tourists' itineraries so that they can go shopping to non pre-designated shops.

Shopping, meals and entertainment are the flexible parts of a tourist spending budget compared to the fixed portions such as air tickets, accommodation, transportation. If there are exciting and availability of interesting, unique and up to date products, food and entertainment, tourists can indulge and spend more liberally.

We prevail upon the Tourism Minister to review and finetune the policy and allow shopping to be a must part of the itinerary of tourist so long it is not restricted to nominated shops.

Shopping comprises the single largest portion of tourism expenditures, totalling RM14.72 bil. for January - June 2019. There is a limit to sight-seeing, accommodation and food & beverages, but there is virtually no limit to shopping and entertainment.

It is pertinent to note that the shopping component of total tourist expenditures from the pre-pandemic years are as follows:

- 2016 35.3%
- 2017 36.3%
- 2018 37.6%

The negative tourist experience in certain tourism stops can be addressed by better enforcement, the threat of withdrawal of tour agent license and having a black list of collaborating shops. This should be adequate deterrent to stop the malpractice.

In the big picture, tourism is our country's second revenue earner for our GDP and we have all these attributes for potential rapid growth. We look forward to our Tourism Minister to harness all the opportunities to make Malaysia the preferred destination for international tourists to visit.

Thank you.

References:

<https://www.malaymail.com/news/malaysia/2023/02/11/following-complaints-tourism-minister-bans-shopping-from-being-included-in-tour-itineraries-here/54416>

<https://m.malaysiakini.com/letters/654896>