



# **BOATING MARKET IN CHINA**

**APRIL 2011 UPDATE**

**BY**

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## **CONCLUSIONS**



## **EXECUTIVE SUMMARY**

In 2010, China's GDP was valued at \$5.87 trillion, surpassed Japan's \$5.47 trillion, and became the world's 2nd largest economy after the U.S. Boosting consumer demand will be China's priority in implementing its strategy to spur domestic demand. Wealth and lifestyle is rapidly spread from first tier cities to much more extensive area. In 2010 China counts over 960,000 USD millionaires and China will account for about 20 percent, or 180 billion RMB (\$27 billion), of global luxury sales in 2015.

Everyone agrees on the great potential that represents the Chinese consumer market. But it is to be clear that today, Chinese boating market is still small and far from mature. Around 1,300 pleasure boats have been so far registered officially. Above 40 feet, only some 300 yachts have been imported from overseas.

Navigations permits and regulation are still unclear, making it difficult for overseas yachts to visit China. Chinese boaters are not yet ready, or allowed, to stay overnight at sea, which makes chartering business barely thinkable. Entrance barrier to boating is still quite expensive and difficult for newcomers. More initiatives should be taken to bring more people on the water as boating is still regarded as an elitist hobby.

Many clear signs from the market have enhanced the confidence of international brands in recent years. (New marina, new regulations, Olympic Games, World Expo, International sailing races, credit and financing facilities.... ) Strong government support has put China on the International Sailing map by hosting international races like the Clipper Race, Volvo Ocean Race and China Cup International Regatta.

Over the past year thanks to strong support from local government and a series of successful boating events in Shanghai, Xiamen, Shenzhen and Hainan, both international brands and local boat builders have experienced the huge potential of Chinese domestic market. With more big boats sold in 2010, China has now become the largest market for imported boats in Asia. Though it is far from being a mature and mass market, China is definitely the most attractive market over the next decades.

This China Market report will provide detailed information to have a good understanding of China market today and the future trends.



## **TO THE READER: NEW INTERNATIONAL BRAND TO ENTER CHINA**

The report on China Boating Market has to be considered in the context of a slow rebound of global boating market after financial crisis. The potential of the Chinese market has therefore become a major target for all international boat makers.

The capacity of China to absorb new technology, knowledge, fashion and trends can be considered as a guideline of this study. This is certainly where the formidable strength of China is to be found.

Analysing as from today the Chinese boating market will definitely help the new comers to understand the complicated emerging market and its future trends.

In the report, MDC gathers all the key information from the sources in this field in China; other information will be taken from the global sources.