

CircleSquare explores key Chinese shopping trends

Retail specialist CircleSquare has released a 50-page in-depth report into the Chinese luxury market, offering a wide variety of insights into reaching these new consumers.

China: Defining the new luxury covers the key cultural trends that influence the way Chinese luxury customers think, shop and buy, using numerous case studies featuring worldwide luxury and home-grown Chinese brands. This report mainly revolves around the young and affluent Gen Z shopper, the demographic set to become the dominant luxury consumer group in China by 2025. Key takeaways include guiding thoughts around disruption, innovation, storytelling, experience, loyalty and personalization.

The New Luxury / China Trends

Cultural trends that are influencing the way Chinese luxury customers think, shop and buy.



国潮 GuoChao

C-Beauty
Localisation
Nostalgia
Hanfu
Backlash



Shoppertainment

Gaming Boom
Cross Cultural Collabs
Virtual Idols
Rise of the Metaverse
NFTs



Conscious Luxury

Clean Beauty
Sustainability
Vintage & Resale
Diversity
Empowerment



Seamless Experiences

Colorist / B+Tube
Burberry Shenzhen
Ralph Lauren Beijing
MAC Shanghai
L'Oréal Shanghai



Four key cultural trends have been identified by CircleSquare. These are GuoChao (literally “national pride” and a growing trend across the China), Shoppertainment (and the search for escapism), Conscious Luxury (the rising impact of environmentalism, sustainability, diversity and empowerment) and Seamless Experiences (the expectation of a personal relationship with brands)

CircleSquare Managing Partner Stephane Zermatten said: “Despite what we are told, the brand experiences that appear to work in Paris, New York or Milan are actually lagging way behind the zeitgeist of what the fast-evolving Chinese customers expect from luxury brands.



“Brands need to be ready to serve their customers where they are across a multitude of touchpoints in a proactive, consistent and personalized manner to build relationships and long-lasting loyalty. Only the brands who have replaced their universal approaches with personalized experiences and customized products for the Chinese market will succeed in the next five years.

“With our report, we have set out to investigate the key trends which are shaping the luxury market in China and offer insights on how brands can succeed in engaging with and ultimately capturing the business of China’s new generation of luxury shopper.”

Email CircleSquare at china@circle-square.com for a copy of the report.