

## Luxury for Gen Z - China - February 2020

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“With the help of social media, especially WeChat and Weibo, the vast majority of Gen Zers now have a general idea about what luxury is, and even quite a few have such knowledge in and before high-school age.”

– **Summer Xia, Research Analyst**

This report looks at the following areas:

- **Luxury beauty guides Gen Z to the world of luxury**
- **Diversify content on official brand channels**
- **Better communicate brand history and heritage with Gen Z**

Although Gen Z is relatively new to the luxury world and has less disposable income, they have a strong desire to upgrade to luxury as they earn more, and they are willing to purchase on credit as well. Luxury beauty and accessories are good starting points. To seize the opportunities among Gen Z and cultivate a long-lasting relationship with them, brands should better communicate their unique stories, heritage and craftsmanship to Gen Zers in more straightforward yet engaging and interactive ways.

Gen Zers might not be the main consumers of luxury yet, but their high awareness and desire to spend in the future has made them one of the most vital consumer groups for luxury brands to thrive in the future. Nonetheless, their habits and thinking are very different from older generations. They are much less likely to stick to a brand, even if they’ve found a favourite one – not to mention the fact that there is still a significant amount of Gen Z who claim they don’t have a favourite luxury brand yet. Consequently, it is a big challenge for luxury brands to build rewarding long-term relationships with Gen Z.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Diversify content on official brand channels

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The facts

The implications

Better communicate brand history and heritage with Gen Z

The facts

The implications

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## Market Overview

Gen Z is shaping the luxury market

Sales and guidance of major luxury conglomerates and brands

LVMH

Kering

Richemont

Swatch Group

Hermès

Prada Group

Burberry Group Plc

## The Consumer – What You Need to Know

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Social media breaks the physical boundaries

CHANEL even takes the top spot in Gen Z males' hearts

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CHANEL

GUCCI

DIOR

LOUIS VUITTON

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