

Premiumisation of Local Brands before and after COVID-19 – China – April 2020

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This report looks at the following areas:

- Shifts of purchase behaviour and attitudes towards premium domestic brands after COVID-19 and related opportunities
- Consumers' perception of premium domestic brands vs foreign brands and acceptance of price
- Awareness of cultural elements in design and the rise of patriotic sentiments
- Marketing of premiumisation upon consumer segmentation

The perception of Chinese domestic products has changed prior to the outbreak of COVID-19. Consumers showed least interest in digital products of Chinese brands years ago while purchase rate of premium domestic digital devices nowadays becomes highest among surveyed categories today.

The reputation of Chinese brands has been built not only from technology and quality improvement, but also from image branding of cultural contribution and social responsibility. In the post-COVID-19 era, the increasing awareness of holistic well-being and localism will create more opportunities for premium domestic brands to strengthen connection with consumers via new channels and advocates reflecting brands' corporate social responsibility and Chinese cultural values.



"Despite the short-term disruption, COVID-19 has brought a brighter spotlight on Chinese premium brands that many consumers' purchasing has shifted to domestic products and services, as a result of reduced outbound travel and the concerns of after-service and warranty deepened."

– Keiyou Wang, Research Director, 30 April 2020

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