

Attitudes towards Luxury - China - July 2019

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This report looks at the following areas:

- **Luxury is no longer about social status and material possessions**
- **Modern luxury is more approachable and inviting**
- **Luxury jewellery and watch brands under threat from high fashion brands**

This Report reveals the changing attitudes among consumers to luxury products and services, and how those attitudes are being shaped by greater sophistication gained from more exposure to luxury brands.

The Chinese luxury market keeps growing as Chinese consumers' passion for buying luxury remains high. But consumer attitudes towards luxury varies significantly according to their knowledge and expectations towards the luxury category, brands, and products. Luxury brands should pay attention to an evolution in China in the value of luxury, as it shifts from something that is used to display status and show off towards an expression of individuality, as millennials become the major buyers. Leading brands have invested heavily in various social media platforms and online channels to interact with younger consumers and make themselves more approachable.

Although the hard luxury segment has recovered from the anticorruption policy of recent years, traditional jewellery and watch brands are facing some difficult headwinds from luxury fashion brands entering the high jewellery market and a lack of appreciation of heritage and techniques in production among Chinese consumers.

Going forward, luxury fashion houses will need to have strategies in place to capture the rising younger luxury consumers with respect to strong brand identity, better product assortments, and more customisation options. Furthermore, investing in omni-channel remains important for luxury brands, particularly for hard luxury brands that lag behind."



"With the Chinese luxury market maturing, Chinese consumers are now seeking help from luxury brands to make a personal statement that shows their unique identity and better reflects their personality."

– **Summer Xia, Research Analyst**

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