

Digitalisation in Luxury - China - 2023

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This report looks at the following areas:

- This Report discusses consumers' luxury consumption behaviours and general attitudes towards digitalisation in luxury.
- In addition to categories of luxury goods/services that consumers have spent on and intend to buy in the future, this Report also tracks channels through which consumers source information for and purchase luxury items. Then the Report goes further to examine what information consumers often search for on each channel and what content might interest them.

Consumer interest in luxury continues to prevail. Their spending on various luxury goods and services remains stable compared to the previous year. Regarding future consumption intentions, with the lifting of the epidemic restrictions, consumers are more eager for luxury experiences such as premium travel (eg five-star hotels, first-class flight) and fine dining (above RMB500 per capita).

Mintel's research reveals that offline channels continue to dominate consumers' luxury purchases, such as duty-free shops and brand stores. But purchasing luxury goods online is further accepted by consumers – about 60% of consumers are willing to purchase luxury items from online channels and also think that buying luxury goods online can provide good services and shopping experiences. This is good news for luxury brands to deepen their digitalisation.

In terms of marketing, online remains an integral part of luxury brands' marketing strategies. The main online platforms most frequently used by consumers to search for luxury information have not changed compared with last year, but platforms such as short video platforms and Xiaohongshu deserve the attention of luxury brands. In addition, private domain channels of luxury brands, mainly WeChat official accounts/mini-programs and official websites/apps, seem to be less attractive to consumers in terms of information acquisition and purchase. Luxury brands need to consider the differentiated positioning of their private and public domain channels.



“Consumers crave luxurious experiences while maintaining interest in main luxury categories. Luxury brands can leverage consumers' usage habits across different online platforms to capture their attention and convert it into a purchase. Comprehensive shopping websites, Douyin and Xiaohongshu can then be powerful tools for luxury brands.”

– **Helen Ren, Research Analyst**

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