

WELLNESS

For China's ultra elite, personal growth is the new luxury

October 29, 2019

*The absolute wealthiest Chinese individuals are looking for a holistic consumer experience through which they can grow on a personal level.
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Two-thirds of high-net-worth Chinese consumers say personal growth is more important than wealth, according to research released on Oct. 21 by HSBC Jade and Scorpio Partnership.

For retailers and the travel industry, this report suggests that companies need to offer more than just **luxurious goods** to entice a top-tier Chinese client.

The research, spearheaded by HSBC Jade the bank's highest membership level surveyed more than 900 affluent individuals from key markets including China to gain insight into their thoughts on enrichment, wellness, travel and purpose.

Alongside a strong desire for personal growth, in mainland China, 74 percent of high-net-worth individuals stated that making a positive impact on the world was as important as making money.

According to the report, the absolute **wealthiest Chinese individuals** are looking for a holistic consumer experience through which they can grow on a personal level.

Whilst their predecessors were brought up with a desire to establish status through the acquisition of recognizable wealth in the form of luxury brands, China's younger demographics are different.

The post-1990 and -1995 generations have been raised in a culture of developing the self through education, cultural learning, travel and **physical wellbeing**. This research solidifies the idea that for the Chinese luxury industry to continue to grow, it can no longer rely on expensive labels and designer products.

Alicia Liu, director at the Singing Grass business consultancy with a focus on culture and luxury, told *Jing Daily*, "As the digital savvy, sophisticated **millennial generation** in China grow up and start to become parents, they are looking for a more fulfilling experience for themselves and the people they care about.

"In my opinion, **luxury brands** must set out to meet this growing demand and produce an enriching lifestyle solution rather than simply offer a product. Some of the brands we have advised have managed to build a genuine friendship with key influencers, by helping customers broaden their horizons through a cultural learning experience."

In response to this, HSBC Jade has launched the "Enrich List" the new bucket list for affluent consumers.

Chinese individuals are seeking more fulfilling and enriching experiences, and the list is built on four fundamental pillars: Curated Adventure, Ultimate Wellbeing, Game Changers, and A Purposeful Life.

The list includes such unique experiences as "Find your tribe" where HSBC Jade's wealthy clientele can visit the Amazon and discover the Kayap tribe all the while enjoying the comfort of an exclusive camp, complete with private chef and host.

Another example sees **Sangha Wellness resort and Spa** in Suzhou's Yang Cheng Lake offer wealthy individuals an

immersive retreat combining ancient Chinese techniques with the most up to date neuroscience technology.

For the **luxury travel** industry, offering adventurous experiences might be an easy win.

However, Acacia Leroy, Asia head of trends and insights for TrendWatching, warns other brands of the dangers of jumping on the experience bandwagon: "People are shifting their primary pursuit from owning luxury goods to having a personalized experience. Now we have the experience economy,' whereby even if brands have nothing to do with experiences,' they are jumping on this trend. This a very dangerous line to tow.

"For example, it's every brand's favorite cheat code to just invent a pop-up in order to fulfill the need for an experience,'" she said. "I have seen so many pointless pop-ups over the years, with a pink wall that looks better on Instagram than in real life. Dangerous."

When looking for businesses doing it right, Ms. Leroy uses the example of luxury car brand Jaguar, which last year created a driving experience through Europe for its wealthiest clients.

"Their brand is about crashing through boundaries and taking new journeys, so why not offer the journey of a lifetime experience?" Ms. Leroy said.

Marie Tulloch, senior client services manager at Chinese marketing consultancy Emerging Communications, explains that for product-focused brands looking to benefit from the "experience economy," there needs to be a significant shift away from brand ostentation.

"These consumers are seeking the niche and subtle, partly to define an individual's personal brand, and often as part of a consumer community," Ms. Tulloch said.

"One of the most obvious ways in which this is reflected is in the decline of K beauty that is considered too unnatural, in favor Chinese brands that provide a homegrown aesthetic that better reflects the desire for a more sophisticated appearance," she said.

"The same trends apply to accessories and clothing. High-quality, hard to obtain products and brands reflects the desire of consumers to flaunt their superior choice, whereas subtle high-end style has become a power statement."

So for brands tapping into this new culture of experiences, it is important to offer a consistent brand image, but one that reflects a consumer desire for low-key sophistication.

For Arnold Ma, founder/CEO of Chinese creative digital agency Qumin, the results of the report are not surprising.

Despite the previous generation of Chinese consumer being known for a love of labels, he explains that, in fact, this overt display of branded goods is what should be considered the cultural anomaly.

"We love going back to people and cultures and I think in this case it's super relevant," Mr. Ma said.

"Chinese culture, for literally thousands of years has valued knowledge and education above material wealth," he said.

"It's not surprising that with such fast socio-economic changes and new wealth that people would want to display their achievements but like all things, as the situation [the economy and people] mature and settle, the culture and people will go back to the status quo. Brands need to be ready to tap into this cultural realignment."

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