

FRAGRANCE AND PERSONAL CARE

## Who will fill China's gaping luxury fragrance void?

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*China's fragrance market is predicted to grow three times faster than the global market. So brands wanting to enter this market should act now. Image credit: Le Labo Fragrances*

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COVID-19 has turned China into the land of opportunity for [fragrance brands](#).

According to data from [Euromonitor](#), the compound annual growth rate of China's scent market reached 14.9 percent between 2015 and 2020. But that rate is expected to jump to 22.5 percent over the next five years.

By 2025, China's perfume sales should reach \$4.7 billion. Those numbers alone may sound less impressive, but comparing them to the global growth rate about 7 percent Chinese market potential has grown to three times the global rate.

The Jing Take: China's fragrance sector has long been dominated by top international players like Chanel (N 5), Dior (J'Adore), and YSL (Black Opium).

According to the 2021 China Perfume Industry Research White Paper, issued by [Yingtong Group](#), the top 10 performing fragrance brands in the Chinese market are all international names.

However, during the lockdown months, local young consumers showed interest in lesser-known, niche perfumes such as Le Labo, Replica and [Scent Library](#), which they familiarized themselves with, thanks to the domestic lifestyle platform Xiaohongshu. That signaled an opportunity for local fragrances with savvy marketing, domestic newcomers can snap shares away from major players. But they will need expensive makeovers.

When perfumes were merely considered "good-looking" presents, their refinement was often attributed to their brand rather than their smell. But Gen Zers are shifting away from that perspective and now [see fragrances as a means of self-expression](#), tools for enhancing their life quality and a self-reward.

Therefore, as Chinese shoppers keep developing more sophisticated olfactory tastes, this opportunity will continue to grow in the luxury sphere and offer space to new quality players.

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