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Gen Z is the new target for hard luxury in China

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De Beers named young idol Cai Xukun its latest brand ambassador in March 2021. Image credit: De Beers

By [Jing Daily](#)

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The following is an excerpt from Jing Daily's upcoming Insight Report, "The Secrets to Selling Hard Luxury To China's Gen Z." Tracing the rise of young Chinese consumers and what sets them apart from their millennial counterparts, the report digs deeply into the successful strategies that are helping hard luxury brands sell more watches and jewelry to a young buyer base. [Email us](#) to pre-order your copy today.

Traditionally, luxury brands counted on a majority buyer base of older, established and affluent individuals and a minority of younger consumers eager to communicate wealth and status. And while this style of buying continues to this day, over the past three decades the luxury market has become far more democratic, younger, more digital and global, with luxury goods seen not only as a way to signal wealth but also as a way to reflect one's personal style.

A key driver of this shift has been millennials, those born between 1981 and 1996, and Gen Zers (born between 1997 and 2010). Whereas luxury, in previous decades, was about exclusivity and communicating wealth and status through the object itself, young luxury consumers are eager to share.

According to a BCG survey, millennial and Gen Z consumers are 30 percent more likely than the average luxury consumer to talk to others about their high-end purchases, and 60 percent more likely to recommend a brand to others.

The same survey found that Gen Zers spend half of their purchase journey "seeking inspiration and inspiring others." Yet these younger consumers are not just browsing luxury sites or gathering inspiration from brand Instagram accounts, they are shopping.

In 2019, millennials and Gen Z accounted for nearly 40 percent of global luxury spending, and by 2026, this number will **rise** to 60 percent. **Already** in China, Gen Z consumers make an estimated 15 percent of all luxury purchases.

The growing influence of millennial and Gen Z consumers in the luxury industry is clear in how brands are spreading their message and who they get to say it for them.

Millennial and Gen Z spokespeople, brand ambassadors and creative directors are now the norm for luxury brands. This is particularly true in China, where Gen Z celebrities such as Wang Yibo (b. 1997) Cai Xukun (b. 1998), Fan Chengcheng (b. 2000), and Ouyang Nana (b. 2000) are fronting campaigns for Chanel, Prada, Givenchy and many more.

But simply being active on social media, signing young brand ambassadors and outfitting popular celebrities isn't enough to reach and influence Gen Z consumers.

For starters, as it is with their millennial counterparts, strict luxury brand loyalty is basically non-existent among Generation Z consumers. This is especially true in China, where 52 percent of consumers born after 1990 will purchase luxury goods beyond their "preferred" brands, **according** to McKinsey & Company.

A key characteristic of Gen Z consumers in China is also the pressure they place on brands to keep them interested, with McCann Worldgroup China research **finding** that around 70 percent of Chinese Gen Zers want a brand to provide them something fresh and new, compared to a global average of 50 percent.

Gen Z Chinese shoppers are also highly convenience- and service-oriented, with one Accenture study **finding** this demographic prefers to shop online and have the ability to engage with an online sales associate.

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