

| TRENDS & SOCIETY

# 100 Consumer Trends Disrupting China This Year

Kung Fu Data  
[www.kungfudata.com](http://www.kungfudata.com)

# | Foreword

**The cost of “not knowing” in China often comes without a warning — from missed opportunities, outdated strategies and losing to the competition, we’ve seen it all. Luckily, knowledge is every brand’s best defence, and what you learn today could make all the difference tomorrow.**

Here at Kung Fu Data, we don't just observe trends; we are the architects of understanding, decoding the pulse of China's dynamic market landscape.

This e-book is more than a compilation of data points or a mere snapshot of what transpired in the past year. It's a journey through the cultural zeitgeist, a roadmap to understanding the currents shaping China's tomorrow.

As you delve into the pages, you'll find yourself immersed in a tapestry of insights, anecdotes and revelations that unveil the beating heart of China's ever-evolving consumer landscape. From the glitzy malls of Shanghai to the dusky alleyways of Beijing, each trend encapsulates a story — a narrative woven by the threads of innovation, tradition and aspiration.

But this e-book isn't just about trends; it's about empowerment. It's about arming you with the knowledge and foresight to navigate the complexities of China's market with confidence and clarity.

So, whether you're a seasoned entrepreneur, a curious observer or simply someone with an insatiable thirst for knowledge, we invite you to embark on this journey with us.

Ready to explore the trends that shook China in 2023 and discover together the insights that will shape the future of one of the world's most dynamic economies?

Let's dive in!



*With love,*

**The Kung Fu Data Team**

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| 1

# The "Curse of 35" is Haunting China's Job Market



**In China, the "curse of 35" is casting a shadow over millennial workers.**

This term, coined on social media, reflects age-based hiring discrimination.

Many job listings explicitly state that candidates should be under 35, even for civil servant positions.

I was floored when I first read this.

35 is far from "over the hill", and is often the age when people are really hitting their stride in their professional careers. They've gained some experience and are typically upwardly mobile in their chosen profession.

Not so in China apparently.

In a nation grappling with economic recovery and unemployment, can the country afford to discount some of their most talented individuals?



## | 2

# Legs for Days: China's New Obsession with Stick-On Belly Buttons



**The hottest trend in China right now might just be the most unusual yet... stick-on fake belly buttons.**

Yes, you read that right... These adhesive belly button stickers, placed a few centimeters above the real navel (which is then hidden under clothing), are causing a stir among Chinese women, promising an illusion of longer legs and an instant confidence boost.

The concept is simple: the obscured belly button creates the illusion of elongated legs, a look widely regarded as more attractive.

With the cost of these stickers being budget-friendly, it's no surprise that they've become a sensation, with 32 stickers available online for less than 60 US cents.

But as with any trend, the rise of fake belly buttons has brought on its fair share of debates.

While some hail these stickers as the "most successful invention of 2023", others raise concerns about body image issues.

The excitement surrounding fake belly buttons and other non-surgical enhancements, such as padded breasts and buttocks, has sparked discussions about whether these add-ons could exacerbate appearance-related anxieties.

Fashion and relationship influencer Miss Nan, who boasts over 2 million followers on Weibo, argues that these products offer a sense of confidence in the digital realm, akin to filters and beauty-enhancing apps.

While the allure of physical beauty is undeniable, Miss Nan suggests that age and maturity will likely lead to a shift in priorities, where women find happiness from sources beyond physical appearance.

As this strange trend (and surrounding debate) continue to make waves... I can't help but be reminded that trends, like beauty, are often fleeting.

And I can't wait to see what China will think of next...



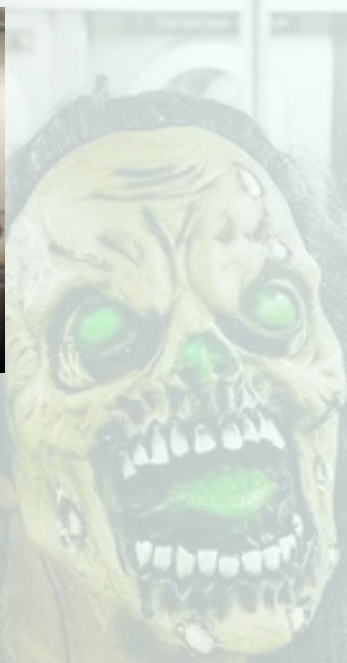
## The Latest Thing Banned in China?

**China's Halloween party goers may have a hard time getting home after the latest crackdown.**

The Guangzhou Metro has made it explicitly clear that passengers with frightening makeup must remove it before entering the station. And this request isn't exactly optional, the metro has even set up makeup removal areas at their stations.

According to the metro, after enjoying Halloween festivities, passengers should remove any makeup that resembles "bloodstains" or other scary features before entering the station.

Is this an unnecessary requirement for party goers who are just looking for a good time? Or is this a smart step towards passenger safety?



# | 4

## Chinese Men are Giving Up on Women...and the Repercussions are Surprising



**Chinese men are undergoing a HUGE shift in priorities.**

Recent data shows that over half of China's young men are expressing uncertainty about tying the knot in the future, while a smaller (but growing) number have embraced the "no-marriage" philosophy.

But here's where it gets interesting – social media is buzzing with chatter about this. Weibo and Douyin are blowing up with 31.45 million and 60.946 million views, respectively, on the topic. It feels like a consensus...

So, what's causing this hesitation? Well, 46% of men are pointing fingers at the "ouch" factor of the high cost of marriage. And a whopping 56.2% are eyeing the sky-high expenses of raising kids as the second big hurdle. With youth unemployment at an all-time high, these concerns seem reasonable.

BUT... many of these young men aren't hesitant to spend money on themselves.

As men are turning away from the financial responsibilities of marriage they're spending more on self-care. We're talking about a jaw-dropping 136.2% surge in guys using skincare products on Douyin in the latter half of 2022. Plus, they are increasingly saying "yes" to perfumes and luxury fashion items – spending on these keeps climbing.

This change reflects a broader shift in societal norms and priorities. As young men explore new ways of self-expression and financial responsibility, the traditional notion of marriage faces serious challenges.

Will we see a permanent decrease in marriage rates in China or will the numbers be cyclical?



# | 5

## China's Next Big Opportunity: The "Night-Time Economy"



**China has a long history of embracing the night. In fact, the concept of the "night time economy" can be traced back to the Song Dynasty, where day and night merged seamlessly.**

Fast forward to the present, and the night economy has become a significant driver of growth in many international cities.

So, what's the deal with China's night economy?

The late-night economy is all the rage. After a long day at work, urbanites crave more than just the usual "eat, drink, and shop" routine. They want a composite experience that combines relaxation, fitness, and socialising.

That's where night sports come in.

Activities like bar baseball, night cycling, frisbee, and night running

have gained immense popularity. Successful brands have already embraced this trend and have undertaken strategies to enmesh themselves into China's night sport culture by sponsoring activities such as running groups, creating a platform for product testing and building brand loyalty.

But it's not just about sports. The night-time economy has become a birthplace of fashion circles. Clubs are no longer just about music and socialising; they have transformed into vibrant fashion hubs.

Fashion-forward individuals flock to these clubs for brand collaborations, pop-up stores, and after-show parties. It's a place to connect with fashion editors and designers, all while enjoying a great night out.

Clubs in Shanghai have become cultural salons, hosting art exhibitions and thought-provoking

discussions. Fashion brands know that hosting events in these venues brings them closer to their core consumers.

When it comes to shopping, the night is prime time in China. Nighttime consumption accounts for a staggering 60% of total consumption in Chinese cities.

Large shopping malls thrive between 6 PM and 10 PM, catering to night owls who crave retail therapy. To capitalise on this trend, cities are creating immersive and thematic night markets.

Brands have jumped on this trend and have started hosting exciting markets that attract the "trendy" Generation Z crowd. It's not just about making sales; it's about creating memorable experiences and understanding the desires of eager customers.



## | 6

# How to Kill a Brand in Less Than 60 Seconds: Tsingtao Brewery Case Study



**Recently, a video depicting a worker urinating in a malt container at a Tsingtao Brewery factory has gone viral on the internet.**

This incident has, understandably, caused quite a stir, resulting in a sharp 6.77% drop in the company's stock price.

Given the current level of recognition enjoyed by Tsingtao Beer, it is entirely possible that a single incident like "a drop of urine" could potentially jeopardise an internationally renowned enterprise with a century-long history.

For businesses, it is crucial not only to establish a strong brand but also to pay close attention to quality control and reputation management.

Otherwise, you risk flushing your hard work down the drain.



# | 7

## China's Outdoor Sports Market Has Exploded



### Outdoor sports have blown up in China over the past few years.

The number of participants in the market has surged to an impressive 400 million, with the participation rate for outdoor sports surpassing 28% in the last two years. While this is a significant achievement, it still leaves room for improvement compared to Western countries who boast participation rates exceeding 50%.

As outdoor sports conditions continue to improve, and their popularity deepens, it's predicted that the overall scale of the outdoor sports industry will surpass a staggering ¥3 trillion in the future.

One of the factors contributing to this growth is the increasing engagement of the Chinese population in physical exercise. Statistics show that 67.5% of individuals aged 7 and above now participate in physical exercise at least once a week, showcasing an 18.5% increase compared to the survey conducted in 2014.

Activities such as running, cycling, ball sports, and dancing are becoming

increasingly popular among the general public, adding to the diverse landscape of national sports and fitness programs.

Moreover, the younger generation is driving the popularity of niche sporting activities. Fringe sports like ultimate frisbee, land surfing, and flag football gained immense traction in the summer of 2022 as part of the "trendy sports" movement.

In 2023, sports like cycling and paddleboarding joined the ranks, experiencing astonishing sales growth of over 350% for sporting equipment compared to the previous year.

When it comes to outdoor sports equipment, apparel remains the leading category, with a focus on outdoor protection.

However, footwear, especially hiking boots and sports shoes, has witnessed rapid growth in the past two years due to the introduction of lightweight outdoor options by some brands.

Consumers engaging in outdoor activities prioritise their safety and comfort,

protecting themselves from external factors like sudden temperature changes and harmful UV rays.

Amidst fierce competition in the market, the exit of low-end products has become evident. Foreign brands dominate the mid to high-end market, while domestic brands are making strides in the mid to low-end segment through acquisitions and collaborations.

This shift is in response to the evolving preferences of modern young consumers who demand technologically advanced and culturally self-assured sports products.

As the fast-paced modern life takes its toll on individuals, there is a growing realization of the importance of physical and mental well-being, as well as social connections.

Outdoor sports offer the perfect remedy, providing a chance to be closer to nature, unwind, relax, and connect with others. This realization is driving the continued popularity of outdoor sports among people from all walks of life.



# | 8

## How an International Beer Brand Found Success With China's Young Consumers



**Heineken, the international beer brand, has successfully established itself as a lifestyle brand among young Chinese consumers.**

Here's a peek into what they did to succeed in today's ultra-competitive market.

First, using localised marketing strategies, Heineken identified Chinese electronic music as a cultural track that resonates with local audiences and aligns with the brand's image.

The company participated in promoting cultural growth in China by launching a brand-specific electronic music platform, Heineken Soundscape, and sponsoring electronic music festivals. They partnered with China's largest music platforms to sponsor electronic music charts for the whole year, gradually deepening their professional and authoritative recognition in the electronic music field.

The company has also promoted "cultural co-creation" among local people, with initiatives like the #ElectrifyingChallenge, which invited the producers of the electronic music variety show "Super Sensory Star Electronic Music" and encouraged netizens to dance to the beat, sparking a wave of UGC craze.

The HEINEKEN Company also left behind localised content deposits in Chinese-style electronic music works developed with local musicians and mobilised the enthusiasm of young Chinese people to actively approach this foreign brand.

In addition to their localised efforts, Heineken's cultural role has shifted from participant and promoter to "intimate partner" in contemporary Chinese youth culture.

By tapping into the Chinese electronic music scene and promoting cultural growth and co-creation, Heineken has established itself as a lifestyle brand that resonates with young people and their needs for identification and belonging.

The company has achieved localised penetration through a systematic cultural marketing layout that provides Chinese youth with a new lifestyle and identity, demonstrating that cultural co-creation is a more solid relationship link than mere buying and selling.



# | 9

## China's Youth are Struggling...



**Recently, a mental health survey in China revealed that there are currently 95 million people suffering from depression, with approximately 280,000 suicides occurring annually, 40% of which are associated with depression.**

Among these cases, 50% are students, and 41% have taken leaves of absence from school due to depression.

It was found that 77% of student patients are prone to experiencing depression in their interpersonal relationships, and 69% are prone to experiencing depression in their family relationships.

Among student patients, 63% reported experiencing harsh control, neglect, a lack of affection, and conflicts or domestic violence within their families.

Many Chinese parents tend to oversimplify the problem by attributing it to a lack of interest in studying, adolescent rebellion, or weak willpower. Over time, this has led to a rise in depression among teenagers, with tendencies toward self-harm and suicide.

According to the World Health Organization (WHO), approximately 1 billion people worldwide are affected by mental disorders, with one person losing their life to suicide every 40 seconds. Low and middle-income countries account for 77% of global suicide rates.

It seems no one is immune...

I don't pretend to have all of the answers, but there's got to be more we can do to bring these numbers down.

And if you're struggling please reach out for help. You're clearly not alone.

# | 10

## Resigning in Style: The New Trend Among Young Professionals in China



Today, young people in China quitting their jobs have shifted from initially being secretive and discreet, to gradually treating it as a "joyous occasion" on par with a promotion.

Before and after quitting their jobs, young people are going all out to savour the exclusive pleasure of resigning.

Seeing others successfully navigate a departure has become a source of inspiration for those still in the workplace, all in pursuit of leaving their jobs "in style and with dignity".

A high-profile resignation is like ending an incompatible intimate relationship, choosing to part ways gracefully, "openly and sincerely, with mutual well-wishes".

Although this trend is sweeping the internet, some still choose to resign quietly and with caution, because they feel their former employer's evaluation is important to their career as a whole. They fear that if their former employer says anything negative during a reference check, it might affect their future prospects.

Are China's youth wise to value their happiness above all else? Or is this just another example of deteriorating social norms?



# | 11

## China's Youth Want Something Different



**Not the latest designer bag or the newest luxury car. These consumers are interested in investing in becoming a better version of themselves.**

Over the past few years, consumer spending among Millennials and Gen Z has turned away from flashy items to a more specialised and nuanced portfolio of hobbies and interests. To put it simply, young consumers are searching for experiences and goods that will make them more knowledgeable, more interesting, more unique or more adventurous than their peers.

For example, we've seen an explosion in the outdoor sports category. And I'm not talking about traditional sports like soccer or baseball... we're seeing growth in things like surfing, camping, skiing, skateboarding, etc. The sporting market is being dominated by subcultures. Everyone wants to stand out as an expert in something.

What's driving this?

Youth culture is changing and there is an increased focus on leisure time and specialization. I think that's kind of interesting because this wasn't the case just a few years ago in China.

The focus of today's young consumers is largely driven by the desire for personal performance, personal evolution, personal vitality, etc.

How can brands adapt to this changing mindset?

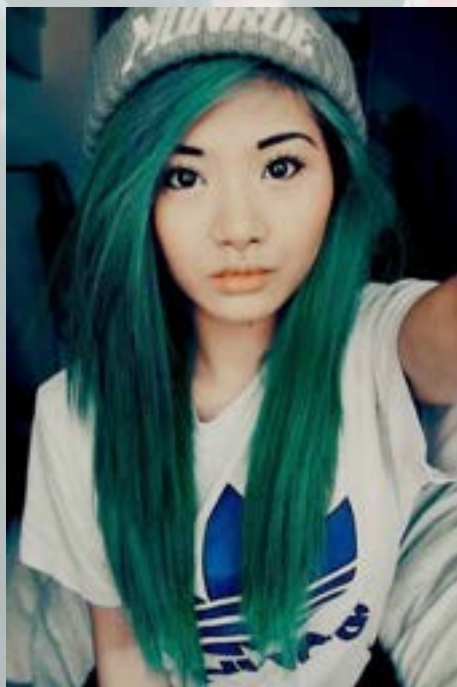
First, stop promoting selling points about a need. Instead focus on an accomplishment. What are you helping the person achieve in terms of the fulfillment of desire, a future self that's better than the current self, how are you making them better? Is it through better health? A once-in-a-lifetime experience? A better reputation?

And second, YOU as a brand must constantly be evolving and making yourself better. How? By staying on top of the trends and adapting your strategy as it makes sense. You've got to be connected and relevant in China locally. Chinese consumers are discerning, you can't get away with a global profile. You have to be willing to localise.



# | 12

## Is China's Government Alienating Gen Z?



**You won't believe the latest thing to be banned in China.**

The country's entertainment industry is undergoing a dramatic shift as artists with dyed hair face unexpected restrictions.

Individuals with "unnatural" hair colours are no longer permitted to grace television screens, and if they somehow do, their vibrant hair shades are pixelated or replaced with a standard black.

This has forced artists to rely on hats or wigs when making television appearances, sacrificing their individuality for mainstream acceptance.

In a bizarre twist, even cartoon characters with unconventional hair colours, like pink, haven't escaped scrutiny. Concerned parents have reported such characters, leading to the suspension of their shows.

It's a curious development, highlighting the evolving dynamics of creative expression in China's media landscape.

As dyed hair becomes more and more popular among China's Gen Z, will these regulations serve to alienate China's younger generations?

# | 13

## China's Big Cities are Losing People



**Recently, there have been complaints from China's landlords on the internet: the time their houses spend on the market is getting longer, with people inquiring but no one renting.**

At the same time, those looking for houses have noticed that there is considerable room for negotiation in rental prices, with some landlords even voluntarily reducing rent upon hearing that tenants are planning to move out.

Individual micro-level perceptions may not be entirely accurate, so let's take a look at the macro data for answers.

According to the latest data from the Shell Research Institute, at the end of the third quarter of this year, the rental index in 40 key cities in China decreased by 0.99% compared to the previous quarter and 0.66% year-on-year. Among these 40 cities, the rent in 30 of them is declining.

The rents in Guangzhou and Beijing decreased by 1.32% and 1.28%, respectively, in the third quarter compared to the second quarter. Among them, Shanghai experienced the most significant drop, declining 2.12%.

Also noteworthy... at the end of 2022, there was a simultaneous decrease in the permanent populations of Beijing, Shanghai, Guangzhou, and Shenzhen. The permanent populations of these cities decreased by 43,000, 135,400, 76,500, and 19,800 people, respectively, compared to the previous year.

Why are people leaving? While reasons are varied, as the cost of living in first-tier cities continues to rise, people are starting to consider the possibility of living in other cities.



# | 14

## Luxury Handbags are Still Priced the Highest in China



**Luxury handbags are more expensive in China than any other region in the world, according to a new study by Retviews by Lectra.**

To put things in perspective, Europe (specifically France) has the lowest prices, with the US and UK falling in the middle of the pack, and Japan having the lowest prices in Asia.

Brands are continuing to raise their prices, with CELINE Cabas Triomphe being priced 41% higher in China than on the French website.

Prior to the pandemic, Chinese consumers had been the main driving force behind luxury goods consumption in markets such as Europe, Japan, and South Korea, with 70% of luxury goods being purchased overseas.

However, during the pandemic, luxury brands such as Louis Vuitton, Dior, Prada Group, and Gucci attracted temporarily grounded Chinese consumers by holding fashion shows, exhibitions, and expanding their presence in e-commerce in China.

Compared to the discounts brought by tax refunds and price differentials caused by exchange rates, Chinese consumers now value the services and experiences they receive during the shopping process more.

Studies have shown that 70% of Chinese luxury consumers have become accustomed to purchasing through salespeople they know, and 40% of respondents said they communicate with salespeople every week to reserve their favourite or the newest products.

Hainan has become a new destination for Chinese consumers to buy luxury goods, with five offshore duty-free operators and luxury giants such as LVMH entering major duty-free malls.

Despite multiple price increases in a year, Chinese consumers are no longer highly sensitive to luxury brand prices. Luxury brands' products sold in China have the highest prices, but also the most extensive range of categories and inventory.

Luxury brands are beginning to focus more on enhancing their customer

experience to match the increasingly high brand premiums, with CHANEL introducing the concept of private luxury boutiques aimed at distinguishing regular consumers from high-spending VIPs, who can purchase goods without having to queue during peak hours at conventional stores. At the end of last year, Louis Vuitton opened its first travel home furnishings showroom in Shanghai's Zhangyuan.

The luxury business has undergone a qualitative change from three years ago, with consumers gradually shifting their focus from the product itself to the relationship with the brand. Given that high-end consumption centered around luxury goods is the main driving force for China's domestic demand, analysts predict that 2023 will be the "Year of Chinese Consumers" and the first year for luxury brands in China to expand beyond retail and into experience.

Are high demand and high prices reliable indicators of economic health? Will China's luxury market slow down any time soon?



# | 15

## Luckin's Alcohol Latte: Sip Luxury for the Price of Coffee in China



**Luckin Coffee's recent sales of their alcohol-infused latte are nothing short of impressive!**

Selling 5.42 million cups on the first day, this latte which was infused with Moutai, China's national liquor, became an instant sensation.

What's fascinating is how this success ties into the "lipstick effect".

During economic uncertainty, people tend to indulge in small luxuries, like this latte (or a new lipstick), even when tightening their belts. It's that little affordable treat that brings comfort.

And with factors such as high youth unemployment, a shaky economy, and ever-changing government regulations plaguing the country, China's citizens are ready for an affordable pick-me-up.

The initial discount to ¥19 on a ¥38 beverage further fueled its popularity.

In essence, amid economic fluctuations, a sip of luxury in the form of a unique latte resonates with the consumer's desire for a touch of extravagance.



# | 16

## China is a World leader... and That's Not a Good Thing

**This is a list you DON'T want to be at the top of.**

China, often seen as an economic juggernaut, is facing a daunting challenge: skyrocketing youth unemployment. As of Q2 2023, China's youth unemployment rate stands at 21.3%, marking a significant increase since 2018 when it was below 10%.

This troubling trend is causing concerns about the country's economic stability.

While Spain tops the list of OECD countries with the highest youth unemployment at 27.4%, China's rapid rise is particularly alarming due to its sheer scale and importance in the global economy.

The reasons behind China's youth unemployment surge are multifaceted, including a slowing economy and a shifting job market. The Chinese government's decision to suspend age-specific unemployment data underscores the gravity of the situation.

This issue has broader implications, as high youth unemployment can lead to a brain drain, where young adults seek better job prospects elsewhere, impacting China's long-term growth potential.

Additionally, it has historically been associated with civil unrest, making it a critical metric for the Chinese government to monitor and address.

Is this a temporary setback or an indication of MUCH bigger problems?





# | 17

## "Professional Bridesmaids" are Replacing Family and Friends in China



**In an era where almost anything can be commodified, "professional wedding companions" AKA bridesmaids for hire have become China's latest trend.**

There are currently at least 200,000 individuals engaged in the new profession of "professional wedding companions". However, most of the time, they blend in seamlessly.

Over the past three years, "professional bridesmaids" have become one of the fastest-growing part-time occupations on platforms like Xianyu, a popular online marketplace. If you open the Xianyu app and search for "rent bridesmaids", the array of available services is astonishingly diverse, leaving you spoiled for choice.

Some individuals promote themselves as "average in appearance, neither too beautiful nor too plain, and never stealing the limelight". Others attach their violin grading certificates, indicating their talent for musical performances to enhance the bride's aura.

With rates ranging from a few hundred to thousands of yuan, women in different price brackets offer similar services. In general, the duties of a "professional bridesmaid" are nearly identical to those of a regular bridesmaid.

So, why are China's brides paying people to fill a role traditionally held by family or friends?

The main reasons for hiring professional bridesmaids are:

👉 **Avoiding Embarrassment:** On the wedding day, it can be a bit awkward to constantly ask favours from your close friends. Professional bridesmaids are paid for their services, so assigning them tasks feels more justified.

👉 **Maintaining Appearances:** Some people hire bridesmaids to "keep up appearances". For example, if a bride's family does not approve of her marriage and chooses to stay away from the wedding, the bride may find herself without family members on her big day. From pre-ceremony photos to tea ceremonies, having hired bridesmaids can help create a sense of support and presence.

👉 **Meeting Unique Needs:** Many brides have specific requirements that may be challenging to fulfill with friends and family alone. For instance, a bride who has moved far away and is marrying in her hometown might need bridesmaids who can speak the local dialect to assist with guests from her hometown. Similarly, a petite bride might prefer bridesmaids who are of a similar height, while a curvier bride might seek bridesmaids with a similar body type.



# | 18

## Revolution in Disguise: Chinese Citizens Find Creative Ways to Protest

**While protests may be commonplace in the West, public displays of disapproval (particularly with the government) are extremely rare in China.**

BUT, that doesn't mean that Chinese citizens don't find other ways to make their opinions known.

Last week, many individuals used Halloween as an opportunity to subtly express their feelings on a variety of issues facing China right now. From costumes mocking the terrible economic conditions facing recent college graduates, to people in costumes imitating COVID inspectors, there were a wide variety of opinions on display.

Some even covered themselves in white paper (white is traditionally a funeral colour in China) to express their feelings of dread with current conditions in the country.

Police officers could be seen looking on as citizens roamed the streets in their "protest costumes" as well as intervening when they deemed a costume "inappropriate".

What do you think about this creative display of personal expression?





| 19

# How Crocs Transformed from "Ugly" Shoe Brand to Fashion Best Seller



**Crocs, the fashion brand from the United States, has experienced significant growth over the past few years, despite its "ugly" appearance.**

In the fourth quarter of 2022, the company's sales reached \$945 million, a year-on-year increase of 61.1%, and for the full year, sales soared by 53.7% to \$3.6 billion. The brand even entered the top 10 in women's shoe sales!

Crocs' success can be attributed to three factors: focusing on niche markets, product innovation, and channel innovation.

In addition, the company has successfully used social e-commerce to enhance its brand social influence and achieve marketing conversion.

In the past, Crocs suffered losses of \$185 million due to overstocking, a disorganised product line, and an abundance of counterfeit products.

However, after restructuring and refocusing on its core product line, Crocs began to achieve rapid growth by targeting niche markets. The company has also combined cutting-edge materials and personalised design to meet various needs.

Due to the impact of the pandemic, people have become more concerned about health, leading to an increase in outdoor activities, which has contributed to the growing popularity of Crocs.

The brand's unconventional and unique designs have also won the favour of Generation Z in China.

Crocs' success can also be attributed to its channel innovation. The proportion of Crocs' sales through e-commerce channels has continued to rise, and the company has strategically laid out its online retail in the Chinese market.

Crocs has opened flagship stores on platforms such as Tmall, entered e-commerce channels such as Douyin, and leveraged live-streaming sales to increase online sales. In addition, Crocs has collaborated with Tmall on the "Tmall Big Brand Day" and promoted sales during shopping festivals such as "618" and "Double 11".

Finally, Crocs has successfully used social e-commerce to enhance its brand social influence and achieve marketing conversion. The company has engaged in a lot of cross-border IP co-branding and collaborated with well-known brands and big IPs such as the Minions, Disney series, and Woody and Buzz Lightyear.

Crocs has also collaborated with heroes such as Xiao Qiao, Cai Wenji, and Sun Wukong in Honor of Kings to launch the "Born a King" series of "combat boots". Additionally, Crocs has collaborated with idol celebrities, internet celebrities, and KOLs to promote sales conversion.

Crocs has successfully turned losses into profits by focusing on niche markets, product innovation, and channel innovation. The company's success in China can be attributed to its unconventional and unique designs, channel innovation, and social e-commerce.

Crocs has shown that with the right strategy, even a product that is considered "ugly" can become a fashion trend.



## | 20

# Where Do The World's Millionaires Live? Yep, They're Still in China...



**While the past few years may have been a bit bumpy, China is still attracting and maintaining a significant amount of wealthy residents.**

According to the World's Wealthiest Cities Report 2023 by Henley & Partners - The Firm of Global Citizens®, Beijing and Shanghai secure spots in the top 10, showcasing China's economic prowess.

While New York City dominates the chart with a staggering 340,000 millionaires, Beijing and Shanghai claim the 8th and 9th positions, underlining China's burgeoning affluence.

The report highlights the appeal of China's commerce juggernauts, drawing high-net-worth individuals (HNWIs) seeking lucrative opportunities.

Further accentuating China's rise, Hangzhou, a city often overshadowed by megacities, takes the lead in millionaire population growth. With an impressive 105% increase from 2012 to 2022, Hangzhou mirrors China's economic dynamism. Shenzhen (+98% growth) and Guangzhou (+86% growth) also feature prominently, reflecting a trend where Chinese cities dominate the charts for HNWI expansion.

Australia's surprise entry into the top 10 with Sydney highlights a broader trend of millionaire migrations driven by factors like high livability and strategic market access. The report points out Australia's attractiveness, emphasising the absence of inheritance tax as a contributing factor.

Looking at the last decade's remarkable economic shifts, China's ascent stands out, not only in terms of established financial hubs but also in the exponential growth of emerging cities.

Any surprises here?



# | 21

## Disrespecting the Dead? Controversial Photo Shoot Sparks Outrage in China

**A recent photo shoot has ignited a firestorm of controversy, underscoring the importance of cultural sensitivity in creative endeavours.**

Shenzhen-based media firm CIQI CHINA recently launched a campaign during fashion week that sought to highlight Chaoshan culture. However, their approach has left many outraged and questioning the boundaries of cultural appreciation and insensitivity.

The campaign featured models striking poses with lanterns while standing on traditional "Eight Immortals" tables inside Chaoshan's ancestral hall.

While the intention was to showcase the fusion of contemporary fashion with cultural symbols, the execution has triggered accusations of ignorance and disrespect, particularly from the Chaoshan community.

Ancestral halls and "Eight Immortals" tables hold profound cultural and spiritual value, especially in Chaoshan. These places serve as living symbols where families honor their ancestors. The tables, in particular, play an

important role in ceremonies, with offerings and incense candles placed on them during weddings, funerals, etc.

The controversial images quickly spread across social media, provoking intense criticism, especially from the Chaoshan community. CIQI CHINA found themselves accused of cultural insensitivity, with some comments suggesting that the company was treating ignorance as a fashion statement.

In response to the mounting backlash, CIQ CHINA issued an apology expressing regret for the oversight in content creation and emphasised the company's respect and admiration for Chaoshan culture.

However, despite this apology, many netizens remained unsatisfied, continuing to condemn the brand's approach.

This ill-conceived campaign is a testament to the profound impact that cultural insensitivity can have in the age of global connectivity where images (and outrage) can spread like wildfire.

Is this blatant disrespect or simply an agency taking creative liberties?





## | 22

# Is China's Youth Culture Killing The Mall?



**The mall is alive and well, but China's young consumers have adopted a new approach to their shopping experiences that may ultimately lead to a slow death for traditional retailers.**

As they step into the mall, they consider purchasing a refreshing cup of milk tea... but ultimately decide against it and sip from their water bottle instead.

Next, they make their way through various fast-fashion stores, where they engage in lively discussions about garments, casually inspect price tags, and openly critique the overpriced and less appealing items with their friends. They snap pics of their favourite items, but don't make a single purchase.

Now to complete the look (that they won't be bringing home today.)

Experimentation takes center stage as they try on hats, play with accessories, and head to the makeup counter. However, the high prices tend to discourage them and once again they leave the store empty handed.

As their journey culminates, they find themselves in the mall's dining precinct. Here, photographs are snapped to encapsulate the moment, followed by a quick inexpensive snack.

Here's what's changed:

Then: Buying a cup of milk tea from the shop.

Now: More likely to bring their own water bottle and sip for free.

Then: Trying on products in store and making purchases immediately in person.

Now: Trying on products in store, snapping a photo and then shopping online for a better deal after returning home.

Then: Spending ¥200-300 on a meal at the mall.

Now: Cautious consumers either have a (cheaper) meal before going to the mall or plan for a quick healthy meal out.

Then: Spending around ¥50 on round-trip taxi rides.

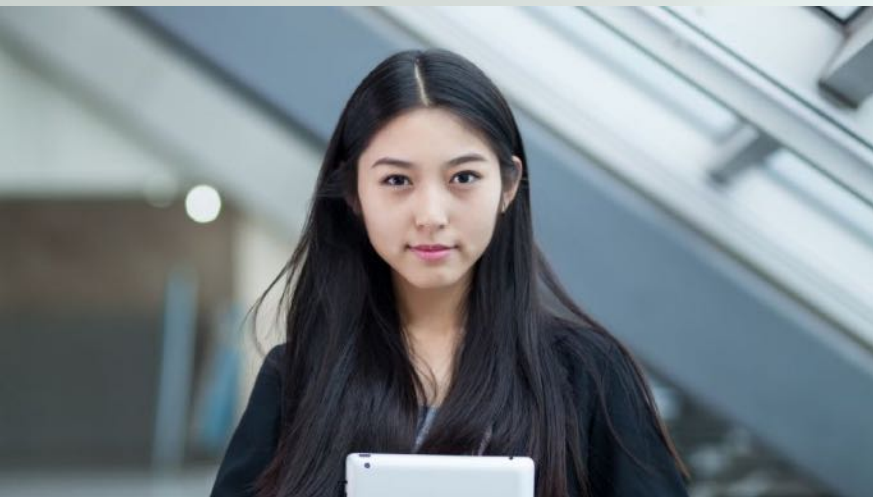
Now: Opting for shared bicycles, emphasising saving money.

The bottom line... China's young consumers have changed the game. They've become more selective with their spending and more health conscious in their choices.

How much longer can the mall model last with this shift in behavior?

## | 23

# Is This The End of Overtime?



**Recently, a 48-year-old professor's statement that young people not working overtime is a sign of social progress has sparked heated discussions in China.**

For most working individuals, leaving work on time is not an easy task.

According to the "2023 Young Workers Overtime Report" published by DT FINANCE, research data shows that 95.7% of people have worked overtime in their current or recent jobs, while only 4.3% of people have not worked overtime.

As for the reasons for working overtime, 73% of individuals selected "heavy workload, unable to complete without working overtime", which has become the primary reason for overtime among young people in China.

With such a high portion of respondents citing heavy workloads as the reason for overtime work, long term solutions to the problem (such as hiring additional staff, reallocating workloads more evenly among staff etc.) certainly seem worth exploring.

Is overtime becoming a thing of the past? Or will this "necessary evil" always be a part of working life?



## | 24

# No Place for Tradition? Young Chinese Turning Away from Marriage and Kids

### Not Married, No Kids

Number of new marriages and births per 1,000 people in China



Sources: Chinese Ministry of Civil Affairs, National Bureau of Statistics of China

statista

### Are "family values" a thing of the past in China?

The increasing trend towards prioritising personal freedom and self-discovery over traditional expectations has led to a significant decline in marriage rates, particularly among the younger generation.

In 2022, only 15 percent of newlyweds were 24 or younger, compared to 47 percent in 2005. This shift, influenced by changing gender roles and increased career opportunities for women, has contributed to a historic low in the marriage rate, with profound implications for China's demographic and economic future.

Notably, the decline in marriages is accompanied by a worrying drop in the birth rate, resulting in China's first population decline in over 60 years.

The decision to delay marriage often translates into delayed parenthood or a choice to remain childless, driven by economic considerations and the high cost of raising children in urban areas.

Despite the Chinese government's efforts, such as relaxing the one-child policy, the declining birth rate persists.

As China's single culture continues to thrive, policymakers face the challenge of adapting to this evolving landscape.

The implications are vast, from an aging population to potential strains on social welfare systems. The rise of personal independence, while reflective of changing social attitudes and individual aspirations, prompts a crucial conversation about the nation's long-term demographic and economic future.

What do you think about the decline in marriage rates and birth rates? Can China come back from this (and perhaps more importantly, does it even need to?)

# | 25

## This Convenience DOMINATES in China

**In the fast-paced realm of digital payments, China stands as a global frontrunner, dominating both online shopping and in-store transactions.**

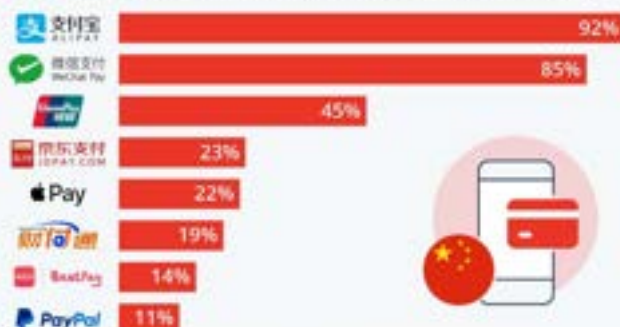
According to Statista's Consumer Insights, Alipay and WeChat Pay reign supreme, with approximately 90% of Chinese online payment users utilising these platforms in the past year.

Unionpay, closely tied to a major state-owned network, claims the third spot with 45% adoption. The survey also highlights a significant mobile payment trend, with nearly 70% of Chinese respondents embracing this convenient payment method.

Tech giants JD, Tencent, and Huawei have successfully launched their payment services, while Apple and PayPal make notable strides in the competitive landscape.

### China's Most Popular Digital Payment Options

Share of Chinese online payment customers who used the following providers in the past 12 months



2,000 online payment customers from Mainland China (18-64 yrs)  
surveyed Oct. 22-Sep. 23  
Source: Statista Consumer Insights

statista



# From Tinder to Taobao: How MBTI Is Changing Chinese Culture

**The Myers-Briggs Type Indicator, or MBTI, has ignited a heated debate in China, particularly among the youth.** What began as a 1960s American personality test has morphed into a polarising force in Chinese society, leaving people divided and questioning its validity.

For some, MBTI is an indispensable part of their identity. They proudly flaunt their personality types, believing they define their strengths and weaknesses.

But in a society that increasingly uses MBTI for recruitment, the implications are disturbing. Certain types are favoured over others, leading to potential discrimination and limited opportunities for those who don't fit the mold.

Recruiters' growing reliance on MBTI as a hiring tool is problematic. While some see it as a shortcut to understanding applicants, others argue that it's easily manipulatable, rendering it unreliable. The subtle differences between English and Chinese MBTI questionnaires further muddy the waters.

Online, MBTI-related content has exploded, with millions of views and discussions surrounding celebrities' and fictional characters' types. Dating apps now feature MBTI types in bios, suggesting compatibility based on dubious analyses.

Profit-seeking merchants have capitalised on the trend, flooding platforms like Taobao with MBTI-themed products. Some entrepreneurs even offer pricey "advanced" MBTI tests, raising ethical questions about the commodification of self-discovery.

Despite the controversy, MBTI still finds its place in helping some navigate career choices and find solace (I love using it as a conversation starter with my own team.) But the question lingers: is MBTI a valuable tool for self-awareness or a potentially harmful societal divider?

我能從少數的訊息中拼湊出一個畫面或藍圖，

當我在學習時，希望能有

### NT 族群：理性主義者

求知慾、好奇心、好勝心、對自主性要求很高、創新、客觀、理性、注重效率、不輕易接受假想或命令

使用說明：▶ 給予新的活動，以解決問題為動力。▶ 善用各種有用的工具來增加效率。

#### ENTJ 指揮官型

善於指揮、觀念大綱、全力以赴、講究邏輯、不付障礙

不固執狹角、立場堅定、尊重長期目標、不在乎他人

避免過度壓迫他人，你的要求常會對別人造成壓力、多顧慮他人感受，多點欣賞與包容、批評他人忌諱、適時放鬆，盡心傾聽他人意見。

#### ENTP 名嘴型

善於機智思考、口才佳、有說服力、足智多謀、激發想像

能言善道、容易圓融、活動傳統、突破傳統

務實一點，多動手，而非一直空談、在某場合適時發表意見，避免越俎代庖、多主動去幫助及服務他人。

#### INTJ 軍師型

危機處理、解決問題的執行力、整合型思維、有遠見

理性、不喜權威、做問題自負、覺得任何事都能改善

避免不問難題，多深入了解別人的意見，能突破盲點、別因太過專注於目標而給人壓力，或覺得不近人情、適時讓火氣鬆弛，學著活在當下。

#### INTP 學者型

分析歸納、邏輯推理、謹慎評估、講究品質與專業

冷靜中立、客觀犀利批評、踏實謹慎、講究邏輯

多與人分享你思考的事，不然別人會以為你沒有想法、試著從決定更明確，給別人更清楚的指示、培養行動力，敢於踏出第一步。

# | 27

## The Curious Case of China's Missing Babies



It was earlier revealed by the National Bureau of Statistics that China's population has plummeted by a staggering 850,000 in 2022 alone, setting off alarm bells and triggering the onset of an unprecedented era of population decline.

This shocking revelation, the first negative growth in SIX DECADES, has experts on edge, painting a dire picture of what lies ahead.

As if that wasn't enough, the China Population and Development Research Centre has released a groundbreaking report, exposing an unnerving truth: China's total fertility rate has nose-dived to a paltry 1.09 in 2022, marking a record-low fertility level among countries with populations exceeding 100 million. Can you fathom the significance of this alarming statistic?

Unraveling the details, the report foretells a haunting future. Brace yourself for the "14th Five-Year Plan" period, where China is destined to witness an abyssal plunge in fertility rates. Experts paint a bleak picture, with dim prospects for a rebound in the near or distant future.

The consequences? A nation grappling with a demographic time bomb ticking away. In a society where young people who are currently working contribute to social insurance funds that support retired elderly individuals, there is growing concern about how social security will be funded in the future, especially as the number of working-age citizens declines.

The countdown has seemingly begun, and the fate of the world's most populous nation hangs precariously in the balance. What's next for China? Is there a path out of this predicament?



| 28

# Makeup Shaming? Chinese Government Accused of Sexism After Ad Goes Viral



A promotional video by China's state-owned railway, urging women to avoid applying makeup during train journeys, has ignited a fierce backlash and sparked a debate about sexism.

Originally posted two months ago, the video unexpectedly became the most searched, read, and debated topic on Weibo, China's Twitter-like platform, last weekend.

The video was met with outrage due to its apparent gender bias, reigniting discussions about gender equality in a nation where men still predominantly occupy boardrooms and top government positions.

Historically, feminist movements in China have often faced censorship.

The controversial video, released as part of an effort to combat "antisocial behavior" by passengers, features a woman preparing to apply makeup on a high-speed inter-city train. She's interrupted by a male passenger who taps her shoulder, leading to a confrontation where the woman's foundation ends up on the man's face.

Many netizens have criticised the video as offensive. One Weibo user questioned why a gender-specific case, involving women putting on makeup, was used to illustrate uncivilised behaviour. Others defended the right to apply makeup on trains.

While Chinese officials have attempted to clarify the video's message, emphasising that it promotes civilised commuting rather than an outright makeup ban, the controversy has shed light on the persistence of sexism in Chinese society.

# Shanghai's Shocking New Hot Spot



**It seems Shanghai has a new hot spot. Recently, night schools have become very popular in the city. People work during the day and study at night.**

Why are night school courses in such high demand? These aren't the easy to obtain spots in evening classes that you remember. In order to transform from urban white-collar workers into "students", competition is fierce with over 650,000 people vying for 10,000 course slots.

Here's what's driving this trend:

## 1. Diverse Learning Opportunities

Unlike the common perception of night schools focusing on academic subjects, the courses offered by Shanghai night schools are incredibly diverse. Courses with a strong element of fun, such as red wine tasting, making Jiangnan dim sum, drama appreciation, and bridge, have become popular choices. Beauty, iPad drawing, and Vlog filming courses have also equipped young people with additional skills.

## 2. Affordable Tuition

For the past seven years, the tuition fee at Shanghai night schools has remained at ¥500 for 12 sessions. Of course, the reason young people are willing to give up their vibrant nightlife to attend classes is not solely because it's "cheap". Some netizens express that night school makes them suddenly realise that their curiosity for seemingly distant knowledge still remains pure. Moreover, the friends made here won't just talk about work.

The popularity of night schools reflects the strong cultural and intellectual demands of young people and their commitment to lifelong learning and self-improvement.

I'm fascinated! Would you give it a try?



# | 30

## Young Chinese Demand Change



**A remarkable shift is transforming consumer culture in China, with the hashtag "young people start reverse consumption" igniting discussions on Weibo sparking discussions about a significant transformation in consumer behaviour.**

In the past, brands could charge a premium by weaving captivating stories and making consumers foot the bill. However, Generation Z is now taking a different approach. They're becoming more astute, focusing on the essentials, and asking important questions before making purchases.

It's not just about the brand name or the marketing ploys; it's about what matters.

Here's how we're seeing this trend play out:

### 👉 The Rise of Domestic Brands

Once, it was all about Adidas and Nike, but now, young consumers are embracing domestic brands like Anta and Warrior. The allure of international prestige is fading, replaced by a desire for quality and value.

### 👉 Outlet Shopping Resurgence

It's not uncommon to find affluent city residents driving long distances to suburban outlets. People from regions like Guangdong are flocking to online discount outlets,

such as Vipshop, with a growth rate nearly double the national average. The appeal? A chance to grab quality products at a fraction of the cost.

### 👉 Near-Expiry Products Take Centre Stage

A new wave of stores specialising in selling near-expiry goods, like "HotMax", is emerging. These shops offer a treasure trove of products at prices slashed by 70-80% compared to regular retail prices. It's a testament to consumers' desire for cost-effective shopping without compromising quality.

China's youth are rewriting the rules of engagement with brands, making it clear that they won't pay a premium just for a compelling narrative.

They seek value, sustainability, and authenticity. And as they shift their focus to the essentials, it's reshaping the landscape of consumer behavior in China, providing a glimpse into the future of global consumption trends.

What do you think about the change? Long overdue or just a result of a down economy?

# | 31

## China's Desperate Parents are Turning to Matchmaking Apps to Marry Off Grown Children



**With marriage rates plummeting to historic lows, a growing number of Chinese parents are venturing into the world of online matchmaking services, taking matters into their own hands to find suitable partners for their adult children.**

You just can't make this stuff up...

The impetus behind this trend lies in China's past one-child policy, which left many parents with just a single child and a strong desire to ensure their family line continues.

As these adult only-children remain single for longer, anxious parents grow increasingly impatient. Many have stopped waiting for their children to find a partner, and instead have decided to jumpstart the process themselves.

The emergence of apps like Perfect In-Laws, Family-building Matchmaking, and Parents Matchmaking caters to this parental anxiety.

These platforms allow parents to create profiles on behalf of their children, listing attributes such as age, height, and even financial status, in the pursuit of finding suitable matches.

While these parent-driven efforts reveal a heartfelt concern for their children's well-being, they also reflect a generational divide.

As marriage expectations shift, many young adults, especially women born in the 1990s and 2000s, are choosing to delay or forgo marriage entirely due to financial worries and a desire for personal fulfillment. This new perspective clashes with the traditional values held by parents who often prioritise material standards when selecting partners.

As China grapples with balancing tradition and modernity, these matchmaking apps serve as a poignant reflection of a society in transition.

What do you think about this trend? Would you let mom pick your spouse? Or is this a bit too close to arranged marriage for your taste?



# | 32

## China's Youth are Rebelling Against Prestige...



**In a bold departure from traditional fashion norms, young Chinese are flocking to wholesale markets for their clothing needs.**

Rejecting the notion that style is tied to brand prestige, these forward-thinking individuals have embraced the idea that value isn't defined by a high price tag.

Wholesale markets, once considered outdated, are now experiencing a revival as vibrant hubs of fashion exploration.

Even amidst the hustle of Beijing's Third Ring Road, these markets draw in a continuous stream of youth seeking a unique shopping experience detached from inflated prices.

Here, clothes are priced at a mere fraction of what one might find in high-end stores, allowing fashion enthusiasts to fully indulge without financial strain. This shift is more than just a change in spending habits; it's a complete reimagining of consumption.

Wholesale markets are now akin to treasure troves, where each purchase is a victory, and personal style takes precedence over fleeting trends. By embracing the tactile, real-world experience of

shopping, these young shoppers are rewriting the rules of fashion engagement.

In this evolving landscape, wholesale markets have transformed into havens of affordability and authenticity. Fashion education and inspiration now thrive in these bustling spaces, where trendsetting market owners curate a genuine experience rooted in the heart of fashion evolution.

As styles fluctuate rapidly in the digital realm, these individuals are redefining their relationship with fashion.

By seeking affordable yet stylish items, they're reasserting control over their wardrobes and expressing their individuality without compromise. Through this movement, the power of fashion language is reclaimed, proving that style isn't confined to brand names or price tags.

What do you think about the shift?

# | 33

## What Your Jacket (Quietly) Says About Your Personality



**Winter has arrived, and Chinese social media is buzzing about the connection between a person's status and their outerwear choice.** Specifically, down jackets as the classic has skyrocketed in popularity recently.

So, the question arises: what jacket brand should you wear based on your identity or personality?

Netizens summarise it as follows:

👉 **Luxury at the Top (Tycoons/CEOs):**

Primarily focused on high-end luxury brands such as Hermes, Chanel, Dior, etc. Due to their extremely high status in the luxury goods sector, they maintain significant brand recognition even in the niche market of down jackets.

👉 **High-End Luxury (Socialites):**

Mainly dominated by specialised down jacket brands like Moncler, Canada Goose, Mooseknuckles, etc. These brands demonstrate a high level of expertise in the down jacket industry, with mature considerations and production capabilities spanning from down filling and fabrics to design.

👉 **High-End Outdoor/Tech Trend (Internet Celebrities):**

Mainly comprised of functional down jackets such as The North Face, Patagonia, and Arc'teryx. This group focuses

more on enhancing performance to tackle outdoor activities, climbing, mountaineering, golf, etc.

👉 **Mid-Range Outdoor/Sportswear (Middle Class):**

Primarily represented by streetwear or brands from new media channels like Kenzo, Lululemon, etc. These brands target streetwear, youthful trends, and outdoor activities.

👉 **Domestic and International Fast Fashion Brands (Students):**

Mainly associated with fast fashion brands for down jackets like Uniqlo, Bosideng, Li-Ning, etc. Domestic brands like Bosideng have seen a gradual increase in prices as they upgrade their image, transitioning into the realm of fashionable down jackets.

👉 **Domestic Mass Consumption Brands (General Public):**

Mainly associated with old domestic brands like SnowFlying, NanJiren, etc. Despite being nostalgic for those born in the 80s, these brands are gaining popularity among material-focused consumers born in the 2000s, thanks to the significant growth of many domestic brands recently.

Which category do you fall into?



# | 34

## Saving Face While Destroying Trust: China Locks Down Negative Economic Data

**I've always appreciated how "transparent" the China market is... or should I say, how transparent it WAS.**

As the country faces record high youth unemployment and a shaky economy, the country has taken a position of secrecy. They recently announced that they would stop releasing youth jobless rate data beginning this month.

Combine this with companies that used to be "wide open" like Alibaba and JD locking down their data over the past year and the lack of transparency starts to be a bit jarring.

It's understandable not to want to publish negative data, particularly in a country that places so much emphasis on saving face, but trying to hide information isn't fooling anyone. Only fueling distrust.

Will China change course before all credibility is lost? I sure hope so...



# | 35

## Apple Faces Backlash From Angry Chinese Consumers Over THIS Photo

**Recently, a picture of a customer service representative on Apple's official website sparked dissatisfaction among Chinese netizens, with the topic generating over 150 million views on Weibo.**

However, this Apple employee is actually a Native American from the United States. The appearance of this customer service representative is not exclusive to the Chinese official website; the same image is used on Apple's official websites in countries like the United States, Japan, and South Korea.

In a poll initiated by a Chinese netizen with 167,000 participants, 115,000 people felt uncomfortable upon seeing the photo of this Native American customer service representative. This evoked memories of the historical period during the Qing Dynasty in China when people were forced to wear long braids due to Western invasions.

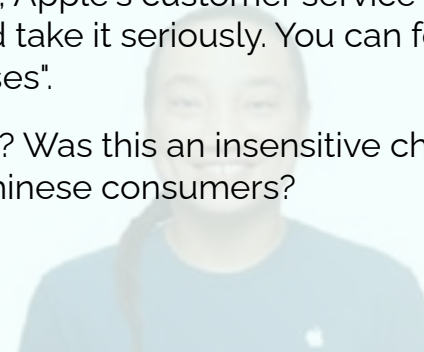
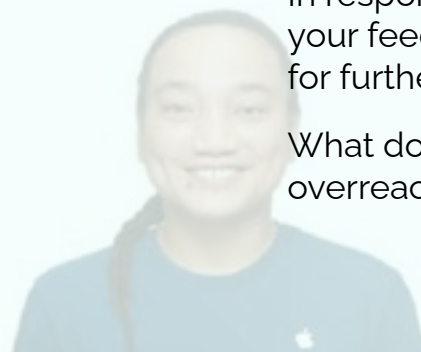
Some netizens expressed, "We've cut off these braids a hundred years ago, and they are still using them to humiliate us. What is Cook's intention?"

In response to this, Apple's customer service stated, "We have received your feedback and take it seriously. You can follow our official website for further responses".

What do you think? Was this an insensitive choice by Apple or an overreaction by Chinese consumers?

APPLE WATCH SPECIALIST 专家  
Specialist 专家一对一  
选购, 在线或到店都恭候。

APPLE WATCH SPECIALIST 专家  
Shop one on one with  
Specialist. Online or i





# | 36

## Why Chinese Students Don't Take a "Gap Year"



**The concept of a gap year, a cherished tradition in many Western countries, is nearly unheard of in China.** In fact, the hashtag #ChinesePeopleNotAllowedToTakeaGapYearforLife has trended on Weibo, accumulating 140 million reads, 146,000 interactions, and is still growing.

Here are three key reasons why Chinese people often find it difficult to take a traditional gap year:

### 1) Unique "Chinese Characteristics" Gap Year:

In China, the notion of a gap year takes on a distinctive form. It involves preparing for civil service exams, pursuing further education, and engaging in intense competition. Though it may appear as a gap, in reality it's just another form of high-pressure environment, emphasising academic and career advancement.

### 2) Workplace Culture Discourages Gaps:

Chinese workplace culture places high value on continuous striving and achievement. Resting often seems synonymous with conceding to others, making it challenging

for individuals to take a break without feeling like they're falling behind.

### 3) Difficulty in Finding Internship Opportunities during a Gap:

Taking a gap year in China can complicate post-graduate job prospects. It often leads to a loss of eligibility for internships, making it challenging for graduates to gain valuable work experience and connections during that time.

In a society that values relentless effort and achievement, the concept of a traditional gap year is often at odds with Chinese cultural and workplace expectations.

Who's in the right here? Is a gap year a right of passage, or nothing more than a waste of precious time?

## | 37

# Is It a Race to The Bottom?



**Competition is tough in China, but is the market now a battleground where survival hinges on who can slash prices the quickest and deepest ?**

According to data from iiMedia Research, it is projected that the market size of China's snack industry will reach ¥1,237.8 billion by 2027, and the focus of the snack market will shift from rapid growth to marginal growth.

Two major premium-positioned snack brands, Bestore and Three Squirrels, have both "lowered their stance", signaling the entry of the snack industry into the era of low prices.

In order to stay afloat, Bestore has announced its largest price reduction in 17 years, with an average price cut of 22% across 300 products, with the highest reduction reaching 45%. Three Squirrels stated that "high-end cost-effectiveness" was explicitly put forward for the first time at the end of 2022, and the practice began in March 2023.

Considering macroeconomic pressures, declining consumer spending power, and reduced consumer confidence, China's snack sector has entered a "parity" cycle.

Consumption is returning to rationality, and premium positioning for snack brands evidently no longer holds a competitive edge.

Will the "race to the bottom" approach be successful? Or are there smarter ways to win over China's cautious consumers?



## | 38

# Is This The End of KOL Live Streaming in China?

**Live streaming for product sales, once a hot trend involving numerous Chinese celebrities, has turned cold.**

In 2020, at least 500 celebrity figures started participating in live streaming for product sales. However, as time passed, the business for some celebrities and the support from platforms declined, resulting in a rapid decrease in live streaming data. Last year many once-popular celebrities successively decided to leave live streaming behind.

Why? There are two main reasons:

- 1) Compared to top-tier anchors (such as Li Jiaqi), many celebrity figures, despite having extensive fame and fan bases in the entertainment industry, lack the ability to translate these advantages into sales in the field of live streaming for product sales.
- 2) The quality and integrity of celebrity live streaming for product sales has been questioned, severely impacting the image of celebrity figures and causing consumers to lose confidence in live streaming for product sales.

Will this be the end of KOL live streaming in China? Or is KOL live streaming here to stay?



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## Has China's Top Influencer Lost His Mind?



**China's lipstick king, Li Jiaqi (AKA Austin Li) appears to have exposed a crack in his carefully crafted façade.**

Li, who vanished for several months last year amid controversy, has been back on air for less than a year and is under increased pressure to keep in the good graces of the Chinese government.

BUT, it appears that the pressure of increased scrutiny may be getting the best of him.

Earlier this week he faced backlash from fans after making insensitive comments during a livestream session on Taobao Live.

When a viewer raised concerns about the price of a beauty product Li was promoting, Li's response triggered outrage as he seemed to mock low-income individuals. This incident prompted a massive social media storm, with over 1.03 billion views on Weibo under the hashtag 'Li Jiaqi apologises for his live streaming session remarks.'

While Li issued an apology, many netizens remained skeptical, accusing him of insincerity as the Double 11 shopping festival approached. Despite losing some followers, Li still boasts a substantial following on social media.

This incident serves as a reminder that even top influencers can make mistakes (especially when the stakes are high), and their endorsements should be approached with caution.

This is a wake-up call for brands relying solely on a single mega KOL (Key Opinion Leader) for promotion to seriously consider diversifying their marketing strategies to mitigate risks in the ever-changing landscape of digital influence.

In an age where authenticity and empathy matter, trust should never be taken for granted in influencer partnerships.

Can Li come back from yet another controversy?



## | 40

# Dior Angers Chinese Consumers With "Racist" Ad (and This Isn't the First Time...)



**Luxury brand Dior is once again in hot water with Chinese consumers over a recent ad campaign that many netizens are calling "racist".**

Earlier this week the brand posted a photo of an Asian model pulling up the corner of her eye on their Instagram page with the caption, "Channel your feline fierceness", as part of a campaign promoting a makeup collection.

Netizens were quick to criticise the post, which was subsequently taken down by the brand.

Many accused the brand of mocking Asians, having racist intentions, and generally being out of touch with Chinese consumers.

The controversy even sparked a viral hashtag "Dior makeup advertisement accused of discriminating against Asians" on Weibo.

To make matters worse, this isn't the first time Dior has angered Chinese consumers with their ad campaigns.

In 2022 the brand was accused of cultural appropriation after one of their skirt designs closely resembled traditional Chinese clothing.

In 2021 Dior received criticism for a series of photographs that many thought negatively portrayed Chinese women.

Will Dior EVER get China right? Does the brand owe China an apology?

# | 41

## China's GenZ is Reshaping Retail: Here's What Hot Right NOW



**China's GenZ is quickly becoming one of the most powerful and unique consumer groups in China.**

Born between 1996 and 2010, Generation Z makes up approximately 15% of China's population.

BUT, this group is vastly different from other generations. They prioritise purchases based on interest, experience, and emotional value.

Here are the top 5 trends among China's GenZ right NOW:

**#1 - Alcohol is Out:** China's GenZ are far more health conscious than prior generations. As a result, traditional alcoholic beverages are out and non-alcoholic drinks are in. Tmall's alcohol-free and low-calorie beer category experienced a 657% YoY increase between 2020 and 2021. Breweries have taken notice and are rushing to create low-alcohol and non-alcoholic versions of traditional favourites.

**#2 - Campfire Cooking:** China's health conscious GenZ are adventurous and outdoorsy, and their food choices reflect this lifestyle. Traditional prepared meals that are designed to be heated in a microwave or oven aren't what these consumers are looking for. Enter aesthetically pleasing ready-made meals designed to be cooked over a campfire.

Sold in clay pots, these meals come together quickly and are photo-ready for social media.

**#3 - Sustainability Sells:** China's GenZ are interested in protecting the environment. Recycling is a requirement among many GenZ consumers, and they're taking this preference into account with their purchases as well. Products made from recycled or biodegradable ingredients are particularly attractive to GenZ consumers, who are often willing to pay a premium for such goods.

**#4 - Pets are Pampered:** China's GenZ want their furry friends to fully experience their lifestyle and are willing to pay handsomely for gear to make this possible. Following trends in other areas of GenZ spending, outdoor gear for pets has been particularly popular lately.

**#5 - Social Sports:** Interested in active pursuits, China's GenZ are sportier than generations past. Traditional organised sports aren't attractive to this group though. They're looking for non-competitive sports that are more social and inclusive. Spending time with friends paddle boarding, or playing frisbee are more GenZ's speed.

Let me know what you think... have you bought into any of these trends?



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## Will Chinese Consumers Try ANYTHING?! What's Behind the Green Bell Pepper Latte Trend?



**A coffee shop in Shanghai recently introduced the trendy "Green Pepper Latte", prompting netizens to ask, "Is it a collaboration with the vegetable market? I don't understand".**

The new Green Pepper Latte, priced at ¥9.9 per cup. The green pepper used is just the ordinary bell pepper, attracting many bloggers to come and check in.

In the new tea beverage industry, cross-border collaboration or joint ventures are common marketing strategies. Some brands engage in cross-border collaborations to break the boundaries of differentiation, ignite consumer emotions through intellectual property (IP), and stimulate consumption. Examples include the collaboration between HEYTEA 喜茶 and Fendi, as well as the introduction of alcoholic lattes by Luckin Coffee and Maotai liquor.

While some people believe that continuously launching popular products is a form of innovative development for the brand, others find it absurd, akin to collaborating with a vegetable market and being out of place.

I can't say it seems appetising. What do you think?

## | 43

# Brewing Success: China's Hottest Collab is Generating a Huge Buzz



**In a genius fusion of fragrance and coffee, the collaboration between Chinese coffee chain MANNER and the esteemed British fragrance brand Jo Malone London has ushered in a winter campaign set to captivate customers' senses.**

The promotion coincides with the launch of new products from both brands.

For patrons of MANNER's seasonal winter drinks, particularly the 'Caramel Cocoa Latte' series, an exclusive treat awaits. A total of 150,000 perfume gift bags, featuring a tantalising sample of Jo Malone's holiday limited-edition 'Gingerbread' fragrance and a whimsical Christmas candy cane pin, will be included with their coffee purchase.

Jo Malone, renowned for its quintessential English scents, has been steadily cultivating its presence in the Chinese market since 2014, primarily through its Tmall online store.

The brand's collaboration with Key Opinion Leaders (KOLs) and celebrities has significantly elevated the brand's visibility and engagement, pushing the brand into the #2 best selling fragrance spot during this year's 11.11 event.

Jo Malone's strategic approach, focusing on user-generated content and interactive promotions, has proved fruitful, with promotional WeChat articles garnering over 100,000 views.

Now, by teaming up with MANNER, Jo Malone is not merely blending scents but also leveraging the local market knowledge and customer base of the Chinese coffee chain.

As the fragrance brand continues its expansion in the lucrative Chinese market, this aromatic partnership with MANNER exemplifies the potency of cross-industry collaborations in crafting memorable consumer experiences.



## | 44

# Camels Causing "Traffic Jams" in China's Desert During National Holiday

**China's National Day holiday has brought an unusual traffic jam to an unexpected place - the desert.**

Dunhuang, located in Gansu province, has become a hot spot for tourists this year, drawing massive crowds to its stunning "Singing Sand Mountains & Crescent Moon Spring".

The highlight, however, is not just the breathtaking landscapes but also the camel traffic jams.

With tourists lining up for camel rides, the desert has seen enormous lines of camels, prompting the installation of camel traffic lights to regulate the flow.

This year, Dunhuang has set a new visitor record, with nearly 3.5 million tourists by October 3rd. People flock here not only for camel rides but also to capture stunning photos, witness mesmerising sunrises and sunsets, and enjoy special performances.

To top it off, nightly aerial drone light shows pay tribute to Dunhuang's historical role on the Silk Road.

Chinese netizens find the camel congestion amusing, with some likening it to a military campaign. Amid the holiday crowds, many seek out quieter spots, but it's clear that Dunhuang's camel jams are a unique spectacle during this China's October holiday.



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## Would You Pay to Sleep in a Stairwell?

### 👉 China's latest lodging craze is raising eyebrows 👉

With the October holiday rapidly approaching, China's hotels are getting creative. During the week-long holiday, demand for hotel rooms in China soars.

Innkeepers have come up with an interesting solution.

They've converted stairwells into small, temporary hotel rooms. These rooms, which are going for ¥650 (approximately \$89 USD) feature a temporary bed and are located in the hotel's emergency stairwells.

Check out the video to get a peek at these "luxury" accommodations.

Is this a stroke of genius? Or a disaster waiting to happen? You tell me...





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## Marrying for Profit? China's Youth Increasingly Reject Red Envelopes



**In China, weddings have always been a tool for "breaking even" or even making a profit.**

Everyone's weddings are crowd-funded, and "whether you attend or not, you still contribute".

For example, if you gave a ¥500 red envelope at my wedding, when it's your turn to marry I would be expected to give you AT LEAST ¥500... whether or not I attend.

And, if I can't make it, you've just turned a profit!

In today's world, young couples are increasingly rejecting traditional customs associated with weddings.

They have transitioned from exchanging "money exemption cards", to opting for ceremony-only celebrations without receiving gifts, and even to inviting strangers online to "share a meal".

This new generation of newlyweds is actively challenging the norms of traditional social obligations.

What do you think about this shift in China's wedding culture? Is it long overdue? Or just another way for China's youth to reject tradition?

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# The 5 Hottest Trends in China Ecommerce for 2023



**In China, if you wait... you fail. Changing tastes and rapidly evolving technologies mean that brands **CONSTANTLY** need to monitor the market and be prepared to adapt at what seems like a moment's notice.**

So, what do consumers want right NOW?

Here are China's top 5 ecommerce trends for 2023:

## #5 - The Great Outdoors

Outdoor activities were huge in 2022 and the trend isn't slowing down any time soon. No matter the season, China's outdoor enthusiasts are finding ways to be active and enjoy nature. Activities such as camping and skiing continue to see a surge in popularity in 2023. In addition, outdoor activities that build social connections are trending this year with informal group sports such as frisbee trending right now.

## #4 - Pampered Pets

China's pet owners are spoiling their furry friends now more than ever. Specialty pet food, clothing and even gadgets that track pets habits and provide comfort while owners are away are all top sellers at the moment.

## #3 - Mega Metaverse

China's consumers dove deeper into the digital world in 2022. Digital collectibles, personalised avatars, online clothing try ons and interactive digital showrooms continue to be customer favourites. In addition, digital luxury collections brought excitement to online shoppers. By 2026, it's estimated that consumers will spend an hour a day in the metaverse.

## #2 - Gen Z Shoppers Become a Battleground

China's Gen Z, those born between 1996 and 2010, make up approximately 15% of the population but have an outsized influence on consumer trends. This group is more willing to pay for experiences and pride themselves on being unique. These preferences have caused an explosion in niche categories such as skateboarding and non-alcoholic drinks.

## #1 - Virtual Influencers Going Strong

Virtual influencers keep getting better and better. These AI powered KOLs have amassed followers right alongside their real life counterparts. And virtual influencers are only expected to grow in popularity throughout 2023 as evolving technology allows them to continue to get better and better.



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## The Odd Money Saving Meal Trend Sweeping China

**Chinese consumers are getting creative with cutting their meal costs.**

Budget-conscious consumers in China have found an innovative way to score an affordable meal: going to street stalls at elementary school entrances to get their three meals a day.

Since elementary school students typically have little pocket money, the snacks and meals available at the school entrances are extremely affordable.

One recent video showed off the variety of affordable snacks available for a fraction of the cost of typical meal out. And this isn't an isolated incident... the topic has generated over 8 million searches on Xiaohongshu.

What do you think of this creative meal trend? Would you try it?



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## China's Youth Are Flocking To Nursing Homes, But Not For The Reasons You Think



**Amid tough economic times, Chinese youth are navigating economic challenges by mirroring the lifestyles of their grandparents.**

The DT Research Institute's 2023 Young People's Savings Survey Report paints a stark picture: 50% of young individuals boast savings below ¥10,000, with 53.7% possessing less than ¥100,000.

Simultaneously, experts predict China's silver economy to skyrocket to ¥19.1 trillion by 2035, constituting 27.8% of total consumption.

Creative youth have piggybacked on the elderly as a way to get more out of life during difficult economic times. They're flocking to canteens for the elderly in search of cheap meals. They've taken up residence in retirement communities exchanging volunteer hours with the elderly residents for free or reduced rent.

This symbiotic relationship highlights the resilience of China's youth while navigating economic turbulence. This strange adaptation ensures they can maintain their lifestyle without compromising on consumption or resorting to the fallback of parental support.

The intergenerational exchange becomes a testament to innovative survival strategies in an economically challenging era.

What do you think about this trend? Is it a stroke of genius or are China's youth taking the lazy way out?



## | 50

# Faking It or Flaunting It? China's Obsession With Counterfeit Bags Exposed



**A popular video blogger has taken it upon themselves to expose individuals carrying counterfeit designer bags in China**, offering them compensation in exchange for answering a simple yet revealing question: "Why do you carry fake bags?"

The reactions captured on camera vary from embarrassment to swift escapes, but what's even more intriguing is the online response.

In the comments section, a surprising phenomenon unfolds.

People are proudly posting photos of their fake designer bags, seeking validation or advice on acquiring even more convincing replicas. In an era of consumer downgrading, some openly admit to buying fakes as an act of rebellion against corporate giants, proudly wearing them as a badge of clarity.

However, the majority still fear the shame of exposure. They originally purchased counterfeit bags to flaunt their status and feed their vanity. Being caught in the act would only magnify their self-doubt. It's a delicate dance of indulgence and insecurity.

Counterfeit manufacturers are keenly aware of this dynamic, producing knockoffs of whatever is popular and expensive. Yet, even at a few hundred yuan, these imitations are easily discernible to professional appraisers.

So, why do videos like these gain such popularity? Perhaps it's because they tap into our shared sense of humor.

In an era where many face financial constraints, watching those who flaunt their vanity but are revealed as wearing fakes indirectly boosts the confidence of onlookers. It's a moment of levity in a world of designer labels and high prices, where authenticity is often questioned.

Should those exposed for carrying counterfeit bags be embarrassed, or is it the mark of a savvy consumer?

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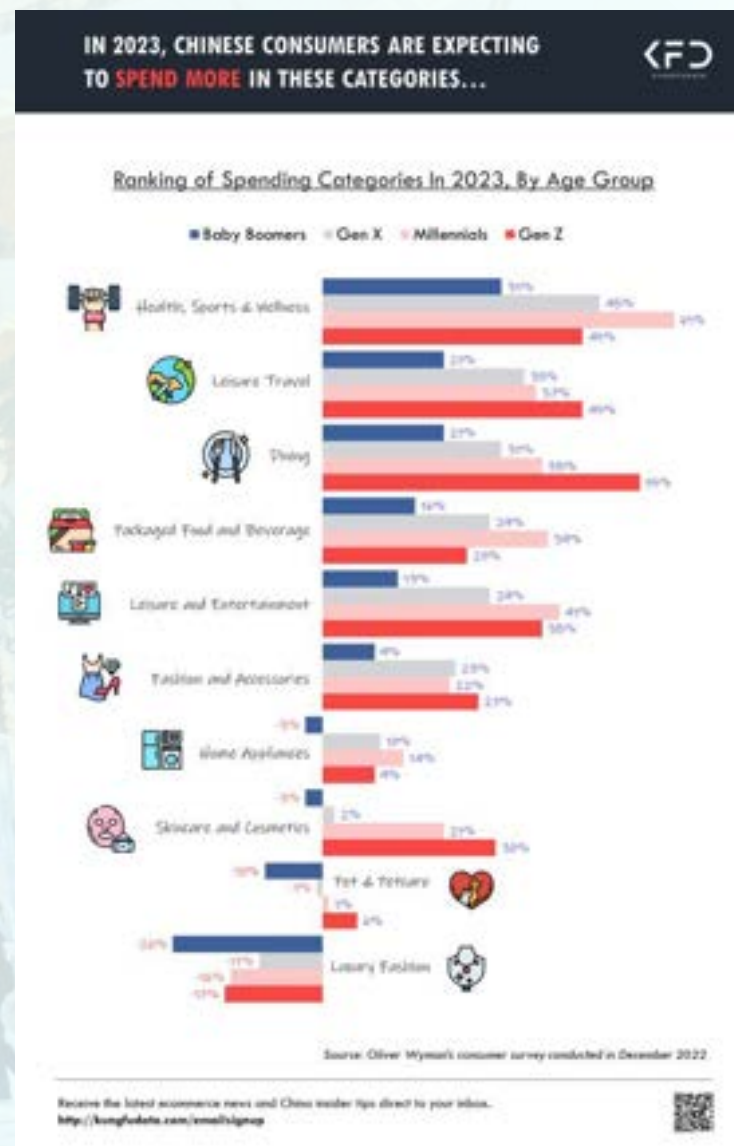
## Here's What Chinese Consumers are Buying Right NOW...

China is back and consumers are ready to spend. After years of restrictions, what are China's consumers planning to buy?

According to a recent survey from Oliver Wyman there are several categories that consumers are planning to spend more on in 2023.

And in true China fashion, what they're planning to buy isn't the same across the board. Preferences and plans vary widely across age groups.

Check out the graphic to find out what Chinese consumers are planning to spend more on in 2023...





# China's Gen Z Love Luxury (But Reaching Them Requires a MAJOR Shift)



**China's luxury market is too large to be ignored... but the game has changed.** Nearly half of Chinese consumers purchase luxury goods online. How can luxury brands accelerate digitalization in China?

Post-pandemic, a significant portion of luxury consumption in China remains local, and digital platforms have become crucial for luxury brands to tell their stories effectively. Even more interesting? The majority of luxury consumers in China are aged 30 and below, with Gen Z being particularly drawn to innovative digital marketing and social engagement.

Over the past three years, luxury brands have been actively experimenting with various online communication methods, aiming at establishing authentic connections with the newest generation of consumers through emotional resonance. They've harnessed digital IP, partnering with gaming, music, and messaging platforms to create captivating experiences like Gucci x Super QQ Show and Dior x QQ Music.

The impact of online penetration has led to a remarkable shift in consumer habits, with luxury consumption returning to China.

Brands are now focusing on localization and using digital means to create unique online spaces that complement their physical stores. Local festivals have become an excellent opportunity for luxury brands to market their products with captivating festival-themed videos and interactive experiences.

Digital platforms are no longer just communication channels; they have evolved into fierce business battlegrounds. Consumer decisions are highly influenced by online channels, and online purchasing behavior has rapidly grown over the past few years.

Brand mini-programs on platforms like WeChat have become essential for luxury brands, offering a wide range of SKUs and driving substantial transaction volumes.

China's digital landscape is constantly evolving and those not willing to embrace change and adapt their strategies to match will quickly be left behind.

What do you think about China's continuing shift towards digital? Would you buy luxury goods online?



# Fast Fashion is at a Crossroads... Can the Industry Redeem Itself?



**The fashion industry is undergoing a significant transformation** as major players like SHEIN, H&M, and ZARA SA distance themselves from the term "fast fashion", signaling a departure from the concept. In their 2022 ESG reports, SHEIN omitted the term altogether, while H&M and ZARA emphasised a rebranding towards fashion retail, reflecting Europe's move away from fast fashion, where the trend originated.

With an increasing number of environmentally conscious young consumers prioritising quality over quantity, the question arises: is fast fashion nearing obsolescence, or can it evolve into a more sustainable model?

Fast fashion, known for its rapid replication of trendy styles at low costs, has long been criticised for its environmental impact. The fashion industry contributes 10% of global carbon emissions, ranking second only to petroleum. The disposal of textiles into landfills and incinerators exacerbates the problem, with McKinsey & Company predicting a 50% increase in emissions by 2030 if unchecked.

ZARA's rapid design-to-launch timeline of 15 days contributes to its fast fashion label, leading to unsold inventory accumulation and waste pollution. However, Gen Z's push for sustainability is driving change, with reports indicating that 65% aspire to adopt sustainable shopping habits, favouring durable clothing. Brands are adjusting to meet this demand, ushering in a transformational shift in marketing strategies.

While fast fashion may persist due to its economic ties, the industry is at a crossroads. Brands are redefining themselves with sustainability-driven policies, focusing on eco-friendly materials, recycling initiatives, and philanthropy to achieve sustainable goals. Supply chain transparency, green manufacturing processes, and circular economy principles are shaping a more sustainable fashion future.

However, skepticism remains regarding the sincerity of the industry's efforts. Are brands genuinely committed to change, or are they merely appeasing consumers while maintaining the status quo?



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# THIS Trend Isn't Stopping Anytime Soon



**In recent years, sportswear and athleisure items such as yoga pants have been increasingly popular among female consumers in China.**

During last year's "Double Eleven" shopping festival, the transaction volume of high-end professional women's yoga wear on JD.com platform increased by 250% year-on-year.

A topic on the Chinese Q&A platform Zhihu, "Why are there more and more girls wearing yoga pants on the streets?" has attracted nearly 20 million views and 2,000 answers. Sure, everyone likes to be comfortable. But is there more at play here? I'm curious to understand more about the "why" behind the trend...

Here's what people had to say:

"After work, I have to play ball with clients" - an employee of a financial institution in Beijing.

"I have breakfast at 8am in the company, then work out until 9:30am and take a shower before returning to my desk" - an employee of an internet company in Shenzhen.

"I have to ride a shared bike from my rental apartment to the subway station for commuting" - an employee of an internet company near Xujiahui in Shanghai.

"I can go to the gym anytime, but I always feel inconvenient to bring clothes to change, it's too troublesome" - an employee of a technology company in Shanghai.

"I usually go to the gym for a run around 5pm in the afternoon" - an employee of a multinational car company.

As it turns out, function and lifestyle both play huge roles in the blurring lines between fashion, athleisure, and sportswear.

China's citizens are busy and are increasingly health conscious. Athleisure and sportswear help them work towards their goals while still looking fashionable.

Will the athleisure and sportswear trends stick around? Or do you see these fading out in the near future?



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## China's Favourite New Pastime is More Than Child's Play



**Trend alert! Recently, the topic of hide-and-seek has gained immense popularity in China, with over 5.5 billion views on Douyin (the Chinese version of TikTok.)**

So, how is it played?

Dozens of young people create groups on an app called Amap, draw lots to divide themselves into two camps—cats and mice—and then share their locations within the map group to start hiding and chasing each other. In the end, they crown the Cat King who catches the most mice and the Mouse King who survives the longest.

Amap noticed this surge in traffic and jumped on board as an online dealer.

Amap launched the official version of the Cat and Mouse game group, providing features such as drawing lots for cats and mice, switching roles, and real-time tracking of the number of cats and mice directly in the app.

For the organisers, firstly, they enjoy the activity themselves, and secondly, while this event may not generate much revenue on its own, the accumulated traffic is of higher quality and reliability than traditional promotions, making it valuable for future purposes.

Have you participated in any group games like this?



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## These 3 Streetwear Trends are Hot in China Right NOW



**China can be a tough market.** Foreign streetwear brands face numerous challenges as they try to translate their success in global markets into a sustainable presence in China. Brands have to battle against a recent shift in consumer preference towards China based clothing and rampant competition as they enter the market. Also, easily replicated logos and designs are often counterfeited if they do manage to hit it big.

BUT, success is achievable for global streetwear brands in China. Tapping into China's younger consumers and staying on top of trends are both key steps to increase your odds of a successful China launch.

Here are three prominent trends currently observed in China:

👉 **Outdoor Style:** Brands like The North Face, JACK WOLFSKIN, and Columbia Sportswear are popular in this category. Arc'teryx, now owned by Anta, has experienced rapid growth, with a reported YoY retail sales increase of 40% to 45% in 2022.

👉 **Emerging Sports Style:** With a focus on women's health and fitness, activities like yoga and Pilates have gained popularity. The demand for yoga pants, in particular, has surged, transitioning from fitness apparel to everyday wear for many women.

👉 **Millennial Style:** The Y2K fashion trend from the 2000s has resurfaced, supported by brands such as Miu Miu, Versace, and Balenciaga. This retro style, marked by vibrant colours and bold designs, has seen increased search volume and engagement on platforms like Google Trends and TikTok.

While these trends are not entirely new, they represent a fresh encounter for Gen Z, the primary consumer group in China. Adapting to evolving consumer preferences while maintaining brand identity and staying relevant is crucial for the sustainable growth of streetwear brands in China.

# Chinese are Seeking Companions to Explore Garbage Bins Together

**In the latest trend sweeping through Chinese social media, an unusual proposal has taken center stage:**

"Seeking companions to explore garbage bins together on and after Qixi Festival (Chinese Valentine's Day.)"

And if you're interested, today is your lucky day.

Following the holiday, which fell on August 22nd this year, the city's garbage bins brim with discarded roses, affectionately earning them the name "Romantic Recycling Station".

Amid laughter, unattached netizens jest, "Bins score more flowers than I do".

Surprisingly, several individuals boast of unearthing treasures: fresh blooms, dainty pastries, snacks, and even concealed gems like money, smartphones, opulent trinkets, and perfumes nestled within the floral and heartfelt offerings.

I can't say I'll be joining the dumpster divers in their yearly quest, but hey... at least they're resourceful!



在垃圾桶撿玫瑰花再送予妻子這個舉動



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## China's Youth Turn to Saving as a Path to Contentment

**A recent survey revealed that among China's young people, the higher their ability to save money, the higher their life satisfaction.**

The 2023 Young People's Savings Report revealed that young people who rate their ability to save money at 0 out of 10 have an average life satisfaction score of only 4.34. In contrast, those who rate their money-saving ability at 10 out of 10 have an average life satisfaction score of 7.1.

The more confident one is in their ability to save money, the higher their satisfaction with life tends to be. This is the true perspective on saving money for contemporary young people, as it's not about compromising on limited material comforts, but rather reclaiming control over life from consumerism.

What do you think about this shift?



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## Has Apple Finally Caved?



### **Even Apple isn't immune to China's insane marketing calendar.**

With the 6.18 shopping festival underway, the tech giant hosted their first ever livestream shopping event on Tmall.

After an earlier debut of rare, wide-scale iPhone discounts last year, the company has reintroduced temporary discounts on several of their most popular products during this year's 6.18 event.

In addition, Apple has also recently launched a network of authorised stores on the popular Chinese local delivery platform Ele.me offering free delivery of select products in 30 minutes... yes, 30 minutes!

So, why the change of heart? While Apple has long been a holdout, clinging to the marketing strategies that have been successful in the West, the company is struggling to retain their share of the Chinese market.

With steep competition from both local and international brands, the company has seen a drop in sales during the first half of 2023.

Will Apple's change in strategy be successful, or is it too little, too late?



# Can "Delayed Payment" Options Lure Out China's Cautious Consumers?



**Shoppers recently noticed the launch of the "Spend this year, repay next year" promotion on China's largest ecommerce platforms.**

For transactions on Taobao Marketplace and Tmall from 31 October to 11 November, the repayment can be extended until January 2024 without any additional charges.

Netizens have expressed that Taobao is quite determined to encourage consumer spending. Some netizens have also mentioned that the official announcement seems to be misleading with wordplay, as the repayment is only delayed by a month.

If one doesn't read carefully, they might think it's delayed by a whole year. It's unrealistic to believe that Alibaba Group would introduce "Spend this year, repay next Double Eleven".

Others have pointed out that it sounds as if having an extra thirty days to repay means suddenly having the money to do so.

Will delayed payment lure cautious Chinese consumers to buy more?



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## Does Being Chinese Make It Easier To Stay Thin?

**I spent last week in China and had a great time catching up with my team. There were plenty of shared meals and the drinks were flowing.**

After spending the summer back "home" in the US and then returning to China, I was reminded of the difference in size between my own countrymen and the fine citizens of China.

To put it plainly... Chinese are, on average, far thinner than Americans.

Is this anecdotal, or is there a real cultural difference?

I'm not sure, but over 280 million users on the Chinese social media platform Xiaohongshu are searching for tips on how to GAIN weight.

While many attribute China's fitter frames to smaller portion sizes in comparison to the US, I'm not sure that's entirely responsible. I have several team members who regularly eat WAY more than I do, while not gaining a pound (seriously... they put my teenage son to shame!)





# China's Outdoor Trend Continues... Here's What Consumers Want Right NOW



**As more and more people take up outdoor activities, brands need to find ways to stand out in the market.** The key is to develop a strong brand that resonates with consumers.

In China, the younger generation is driving a shift towards making product choices with a focus on pleasing themselves, rather than impressing or pleasing others.

This means that brands need to focus on building an emotional connection with consumers, rather than just selling products.

One way to do this is by incorporating sustainable development into the brand's goals. Consumers are increasingly concerned about the environment and are willing to pay more for products that are environmentally friendly.

Brands that show they care about the environment and are taking steps to be more sustainable are likely to win over consumers.

Another way to build a strong brand is by creating a unique outdoor aesthetic that sets the brand apart from the competition.

Consumers are looking for outdoor clothing that is both functional and stylish, so brands need to pay attention to details like design, materials, and colours. By creating products that meet these criteria, brands can build a loyal customer base that will keep coming back for more.

Ultimately, the key to success in the outdoor market is to focus on building a strong brand that resonates with consumers.

By understanding what consumers want and need, brands can create products that meet those needs and build a loyal customer base.

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# Will Gen Z Kill Luxury in China?

**By the end of the decade, it is forecasted that Gen Z will become the number one consumer group for luxury, replacing Millennials.**

BUT, to make that a reality brands need to start updating their structure and campaign messaging to reflect the changing consumer population, instead of assuming that Gen Z consumers will "grow up" and become cut and dried versions of their millennial counterparts.

Yet many luxury brands are unaware that such a shift is happening and risk alienating their consumers.

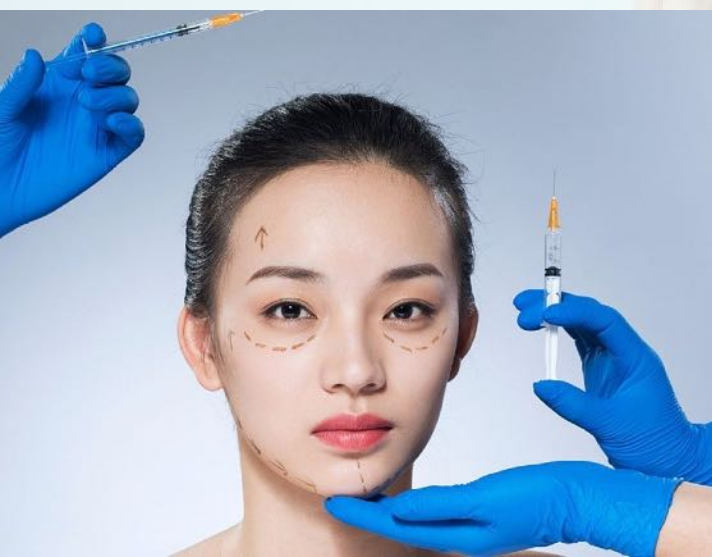
As a digitally native generation, China's Gen Z have the most global exposure, which shapes their trends and preferences.

The question looms... how can brands identify the right ways to adjust their campaign messaging to suit the tastes of Gen Z without appearing like they're over-compensating and having a mid-life crisis?





# Chasing Perfection: China's Youth Going Under The Knife at an Alarming Rate



**The medical aesthetics industry has set its sights on young people in China, advocating for "anti-aging after the age of 18".**

With the booming trend in the medical aesthetics industry, many young people in China are willing to pay the price in search of perfection.

According to the "Insight Report on the Chinese Medical Aesthetics Industry for the Year 2023", the average age of the potential consumer base surveyed is 28 years old, with those under 30 accounting for 75%. Among those under 25, 29% plan to increase their spending on medical aesthetics or try more procedures in 2023.

Against this backdrop, many businesses are targeting young people. To seize market share and expand customer flow, some medical aesthetics institutions are aggressively promoting facial and age anxieties, advocating that "the earlier you resist aging, the better" and "you must resist aging after the age of 18".

In addition to inducing young people to consume by saying "the earlier you resist premature aging, the better", some medical aesthetics institutions are promoting "low prices" and "ultra-low prices" to attract young people to undergo their procedures.

This approach has largely been successful, and the businesses often recoup the cost difference. Many young people are attracted by low-cost medical aesthetics procedures and then upsold on items to increase their bill.

Is this trend inevitable? Or is China merely following the West's obsession with physical perfection?

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# How Do Chinese Consumers REALLY Shop?

**China is home to some of the smartest consumers in the world.** The amount of information available is insane (and hard to find in many other markets.)

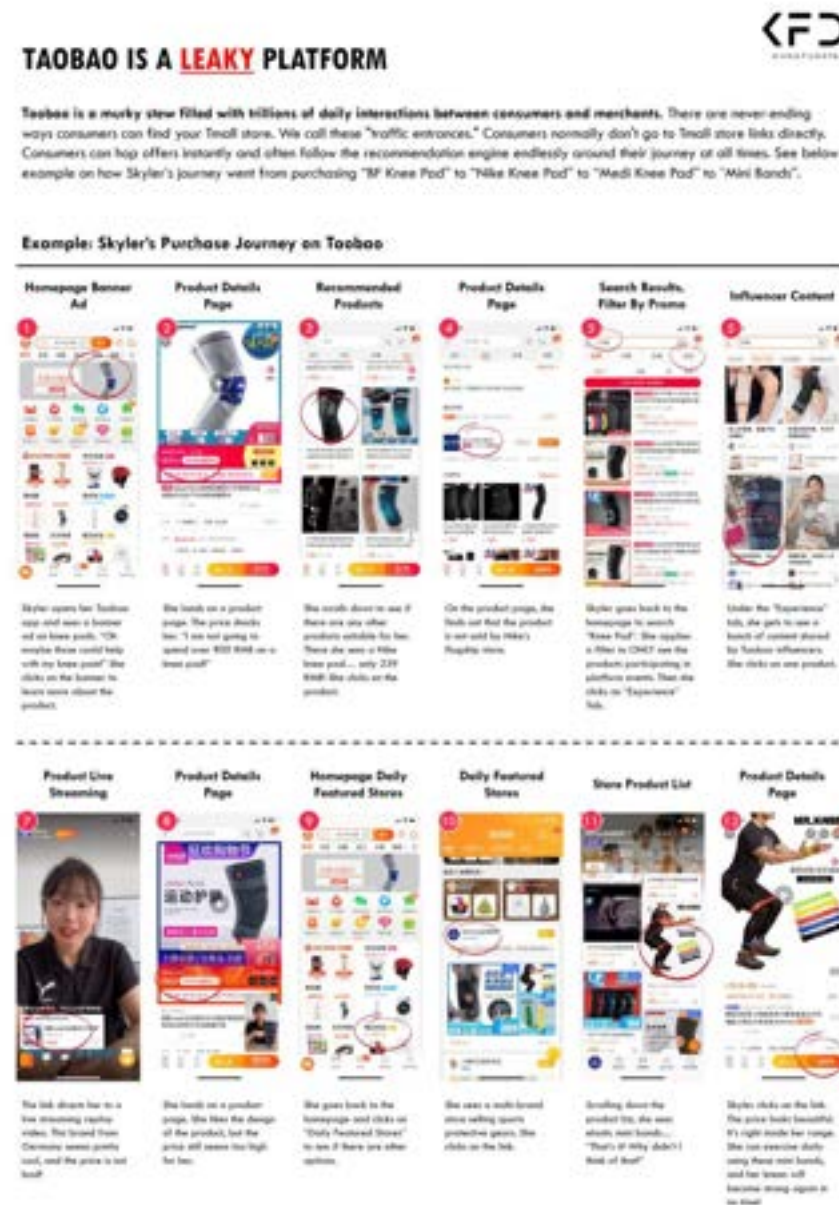
To make things even more complex, Tmall and Taobao are leaky platforms. Each is filled with TRILLIONS of daily interactions between consumers and merchants.

And how consumers find your store isn't always straightforward. There's a nearly endless stream of traffic entrances. Consumers in China don't normally go to a brand's store directly.

Consumers can hop offers instantly, engage with livestream content, and bounce around to multiple offers. They often follow the recommendation engine as their journey progresses.

Want to see what this process REALLY looks like? Here's an example of one of my team's recent purchase journeys.

You tell me... do consumers in China shop differently than those elsewhere?





# China's Love Affair With British Brands Continues Post Brexit

## The British stronghold continues.

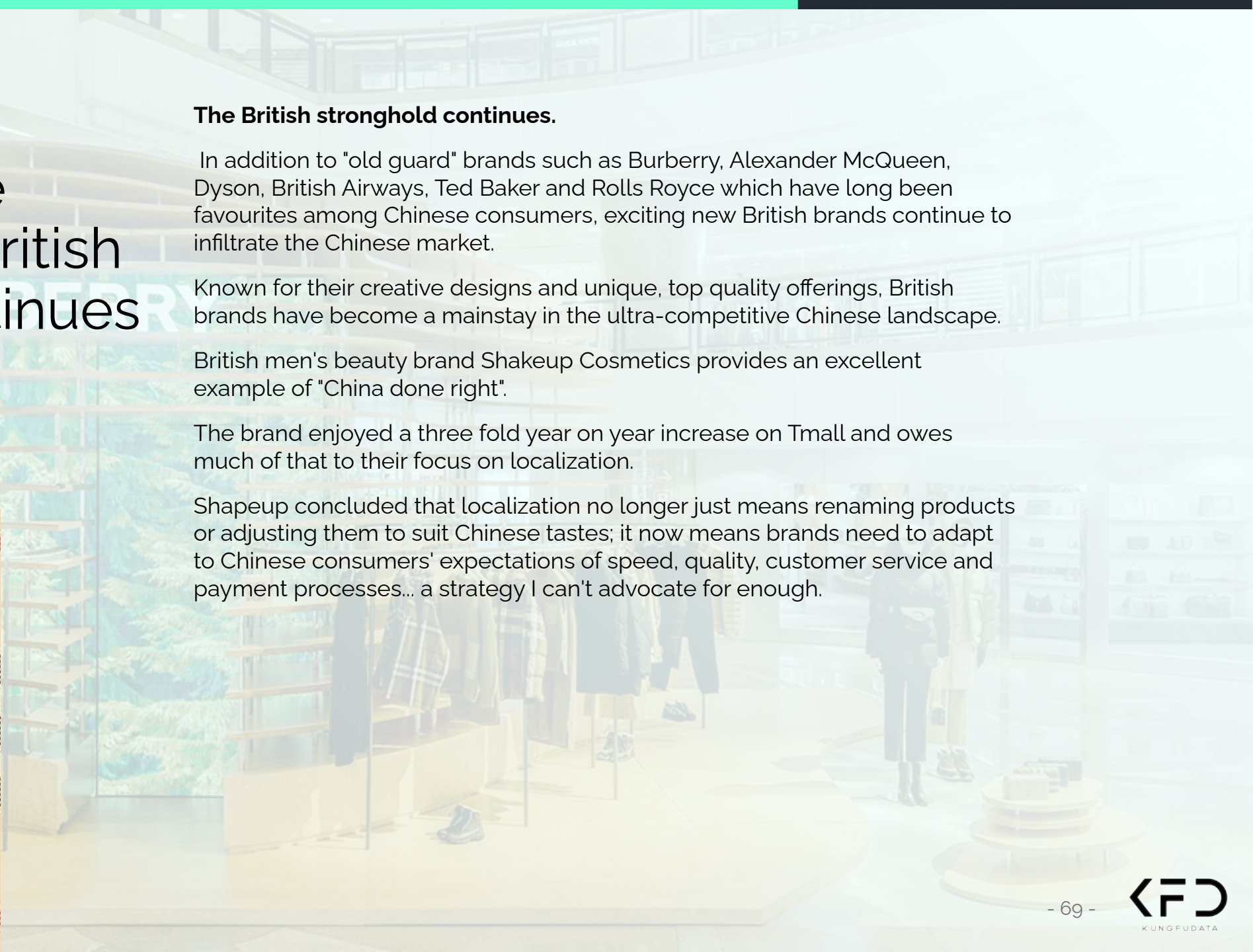
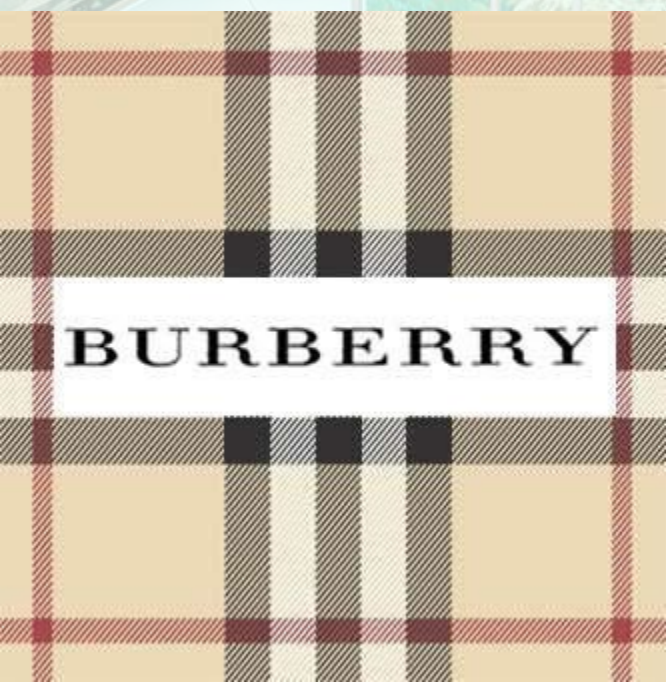
In addition to "old guard" brands such as Burberry, Alexander McQueen, Dyson, British Airways, Ted Baker and Rolls Royce which have long been favourites among Chinese consumers, exciting new British brands continue to infiltrate the Chinese market.

Known for their creative designs and unique, top quality offerings, British brands have become a mainstay in the ultra-competitive Chinese landscape.

British men's beauty brand Shakeup Cosmetics provides an excellent example of "China done right".

The brand enjoyed a three fold year on year increase on Tmall and owes much of that to their focus on localization.

Shapeup concluded that localization no longer just means renaming products or adjusting them to suit Chinese tastes; it now means brands need to adapt to Chinese consumers' expectations of speed, quality, customer service and payment processes... a strategy I can't advocate for enough.





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# China's "Frugal" Youth Actually Increased Their Spending This Year



**In China 2023 was the year where "low prices prevailed". But, while discounts reigned there was actually a slight uptick in spending.**

A report from DT Business Observation, shows that 30% of people have seen an increase in income, and nearly 60% are spending more than last year.

So, where exactly are people spending more money?

Apart from durable goods such as cars, there is little change in spending on household appliances, daily necessities, books, and stationery. Consumption of fast-moving consumer goods has diverged: spending on beauty and personal care products, as well as clothing, shoes, and bags, has declined significantly, while spending on food and beverages, as well as sports and outdoor equipment, has relatively increased.

Most notably, spending has increased on service products such as tourism, performances, and medical beauty experiences.

In addition to "increased demand", there are two important reasons for the significant increase in spending on certain items: the product or service provides emotional value (49.3%), and individuals have developed new hobbies this year (41.6%).

Regarding the choice of shopping channels, the most commonly used method is still e-commerce platforms (96.4%), but nearly 36.6% of people also choose to "shop offline".

Is China rebounding? Or does this shift just show a change in consumer preferences?



## Overdue For a Vacation?



**China's domestic tourism industry is making an encouraging comeback.**

During China's recent "Golden Week" holiday, the domestic tourism scene was buzzing with activity. Domestic tourism revenue increased by 1.5% compared to 2019, and a whopping 826 million trips were taken. Not too shabby!

What's behind the increase? Well, this year's Golden Week holiday was an extended one, lasting eight days instead of the usual seven. That meant people had more time to explore and travel, leading to higher per-person spending.

Interestingly, while domestic tourism is on the rise, overseas travel is still trying to catch up.

But the fact that domestic tourism is making a strong comeback shows that people are eager to explore their own backyard, despite economic challenges like a property market slowdown.

So, while China's economic rebound might be slowing down a bit, the tourism industry is proving to be quite resilient, with people taking advantage of any chance they get to hit the road and explore.

It's a good sign that China's cautious consumers are regaining their confidence and getting back to enjoying life.



# What's Next for China's E-commerce Market?



**China's economy continues to demonstrate strong resilience despite the economic slowdown and the impact on consumer confidence.**

The per capita disposable income of Chinese consumers increased nominally by 5.3% in the first three quarters of 2022, while the urban survey unemployment rate remained stable at 5.5% and the consumer price index (CPI) for residents increased by an average of 2.0% in the first 9 months of 2022.

Here are the four major consumption trends to look out for in China this year:

👉 **The Middle Class Continues to Grow:** China is expected to add another 71 million upper-middle-class families in the next three years.

👉 **The High-End Trend Goes On:** Wealthy consumers have a greater preference for high-end brands, which continue to outperform mass-market brands despite economic challenges.

👉 **Smarter Choices Without Downgrading Consumption:** Consumers are turning to more competitively priced channels and actively seeking discounts and promotions. There has been no downgrade in consumption; consumers are simply making more informed choices when purchasing goods and choosing platforms to purchase from.

👉 **Product Quality is of the Utmost Importance:** Consumers are savvy and know how to research the technical specifications of their desired product on social media. They watch live-streams on Douyin or browse content on Xiaohongshu and get excited about a certain product. They then search for the same product on Taobao to see if it's cheaper before ordering.

As competition intensifies among e-commerce platforms in China, comparing prices across multiple stores has become a basic prerequisite before placing an order. In fact, Chinese consumers tend to make purchases more frequently in Taobao Live rooms than on Douyin live-streaming. Douyin merchants face issues with traffic bottlenecks and a "traffic ceiling", while Taobao live-streaming offers a dedicated platform for merchants to monetise their products.

To captivate consumers, low prices are always a powerful tool. If businesses can offer "affordable goods", they are sure to win over the minds of consumers. As a result, many young people are shifting away from Taobao and exploring new shopping avenues. With the emergence of B2C models and live-streaming e-commerce, traditional shelf-based e-commerce appears to be gradually losing its pricing edge.



## Are Luxury Brands Abandoning the Streetwear Trend?

**Over the past several years, luxury brands have been loving the streetwear trend. But, that love affair appears to be coming to an end...**

Luxury brands are moving away from the streetwear trend that was once popular among younger consumers.

Brands like Louis Vuitton, Gucci, and Burberry are emphasising their classic styles and cultural heritage. According to the CEO of The Luxury Institute, LLC, a large portion of luxury brand sales typically rely on ultra-wealthy customers who are most devoted to classic products.

During economic downturns, luxury brands tend to stabilise by pursuing timeless classics. However, returning to classics does not mean abandoning trendy routes, but adapting flexibly.

Some surveys have shown that Chinese consumers' driving factors are extremely similar to those of consumers in other major economies such as North America and Europe. For luxury brands, adhering to classics and traditions while capturing the spirit of the times is crucial to succeed in the long run.

This also highlights the uniqueness of the luxury industry, which is always linked to social status and eternal symbolism. Changes in the consumer demographic structure will lead to changes in consumer preferences.

Therefore, making products feel more secure, functional, classic, and practical during uncertain times is a good strategy for luxury brands to respond to changes in consumer preferences.



# China's Youth are Obsessed with Health



**China's young people take their health seriously, and this fixation has sparked interest in two new trends.** The first trend involves various forms of therapy such as singing bowls, aromatherapy, and meditation, which are driving a trillion-dollar market.

According to the "China Sleep Research Report 2023" released by the Chinese Academy of Social Sciences, the insomnia rate in China is as high as 38.2%. Among these, residents in first-tier cities have the poorest sleep quality, with an average sleep duration of only 7 hours, the lowest among cities of different tiers. Additionally, they experience an average of 4.7 days of insomnia per month, the highest among all cities. Nearly 70% of respondents attribute their insomnia to overwhelming stress, preventing them from falling asleep.

For individuals suffering from chronic insomnia and anxiety, finding a drug-free solution that relies on physical stimuli such as sound and scent to rescue sleep is considered a blessing. Hence, practices like singing bowls, aromatherapy, and meditation are gradually becoming popular for nurturing both body and mind.

The second trend involves a recent surge of young people in China flocking to massage therapy night clinics.

According to survey data, 70% of adults suffer from lumbar muscle strain, with the age group between 30 and 50 being the most affected. In China, over 200 million people have issues with their lumbar intervertebral discs, with young people aged 20 to 40 accounting for over 60% of cases. It's no wonder that some young netizens jokingly refer to people in their 20s and 30s as having the back of someone in their 70s or 80s.

With these two rising trends, hopefully the people of China will be soon getting their beauty rest.



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## Cruelty Free in China?

**I love our furry friends as much as the next guy, but brands that expect to use "cruelty free" as a global selling point (rather than just a moral choice) may have another thing coming.**

Consumer preferences vary from country to country. And no, this doesn't mean Chinese consumers are wishing death to bunnies worldwide.

The fact of the matter is, that they are simply looking at different factors when making their purchasing decisions.

While nearly 33% of German consumers listed animal welfare as "important" when purchasing food, only 10% of Chinese consumers shared this concern.

Just another reason to do your research and take the time to learn what's REALLY important to your consumers before entering the Chinese market.

### How Important Is Cruelty-Free?

Share of respondents who said animal welfare was important when making the following purchases (in %)

■ Food ■ Personal care products ■ Apparel



3,000-7,500 respondents per country (18-64 y/o) surveyed Oct 2021-Sept 2022

Source: Statista Global Consumer Survey

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# Can Fast Fashion Brands Survive in China?



**The decline of fast fashion brands in the Chinese market has led giants like Inditex and H&M Group to transform towards high-end fashion.**

This shift involves a focus on higher-end brand image, prioritising "fashion" over "fast", and adopting more sustainable practices.

Zara, for example, has launched its high-end product line, Zara Studio, and participated in fashion weeks to elevate its brand image. Meanwhile, Swedish brand COS made its debut at New York Fashion Week with a runway collection that distinguishes it from other fast fashion brands.

As ultra-fast fashion brands like SHEIN dominate in terms of timeliness and price, fast fashion brands need to focus on their core element: fashion. Chinese consumers now demand not only higher fashion but also better quality.

Sustainability is also a key concern for Generation Z consumers, who are aware of the environmental harm caused by fast fashion. Brands are now launching green and environmentally friendly services, such as resale, to build a high-end brand image and cater to changing consumer habits.

In the future, fast fashion brands will likely develop product lines for both the mass market and high-end consumers, providing clothing that offers a higher sense of value.

Can fast fashion survive in China, or is this a business model that's destined for decline?





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# China's Budget Conscious Consumers Make BYD #1 in Electric Vehicle Sales

**The numbers are in... BYD beat Tesla in 2022 EV sales, becoming the world's #1 seller of electric cars.**

The brand's 2022 deliveries rose to 1.86 million units, unsurprisingly the majority of which were to mainland Chinese customers.

These stats serve as a reflection of the state of China's economy, showing how lay-offs across China's tech industry as well as damage from zero-covid policies have pushed buyers down-market towards cheaper, locally made electric cars instead of foreign brands like Tesla.

According to Eric Han, a senior manager at Shanghai advisory firm Suolei, BYD "is a beneficiary of the consumption downgrade as the Chinese economy slows. Its mass market vehicles are well received by Chinese middle-class consumers as they are viewed as value-for-money products".

What do you think? Is the rise of BYD indicative of China's economic situation, or does BYD simply make a superior product?



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## Strong E-Commerce, Traditional Chinese Designs and Celebrity Fans... What Could Go Wrong?

**After 14 years of business, Guochao fashion brand Husenji has closed its doors.** On December 31, 2022, Husenji launched a final clearance sale. The brand, which in its heyday had 735k followers on Tmall, and was seen on figures such as Jack Ma and Wang Yibo.

Husenji rose to fame with Tang suits made from materials such as denim and wool retailing for as much as ¥4000 on Taobao.

As global brands struggled in China amidst a rocky 2022, even a homegrown hanfu haberdashery couldn't manage to stay afloat. A former leader in the Guochao trend, Husenji definitely had better days riding this national tide, with annual sales growth exceeding 300% from 2008 to 2018, and annual sales surpassing ¥100 million.

So what went wrong?

Many speculate that the brand's repositioning and lack of a noticeable social media presence contributed to its rapid decline: for example when the brand's high-end aspirations led it to release a down jacket for ¥10,000 to a target audience accustomed to three-figure price tags.

At the same time, while building a reasonably strong storefront on Taobao, the brand simultaneously neglected to create its social media persona on platforms such as Douyin and Xiaohongshu, with a meager 1000 followers between both platforms.

Adding to the mix were newer, hipper Guochao brands launching both on traditional e-commerce platforms as well as social commerce, increasing accessibility and providing Chinese consumers with no shortage of cheaper, equally stylish alternatives.





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## Balancing "Popularity" and "Reputation": How Luxury Brands Navigate Celebrity Endorsements in China

**Luxury brands in China face a tough challenge in choosing the right spokesperson, needing to balance "popularity" and "reputation" to uphold their brand image.**

With the Chinese luxury market booming, celebrity endorsements have become common, but so have scandals and terminations.

Traditionally, luxury brands in China were selective about ambassadors, often choosing supermodels after thorough investigation. However, as the market expanded, brands targeted a younger audience, opting for emerging influencers and popular celebrities, fueled by fan support on social media.

Collaborations with celebrities have become normal, but challenges arise in reaching a broader customer base, especially in lower-tier cities, and adapting to changing consumption patterns. Blindly chasing popularity can backfire, as seen in Prada's recent controversy with spokesperson Cai Xukun.

To mitigate risks, luxury brands are diversifying strategies by partnering with sports stars, forming brand alliances, and embracing virtual idols. By incorporating different endorsers and collaborations, they aim to broaden appeal while safeguarding reputation.

Striking the balance between popularity and reputation is crucial for long-term success in the dynamic Chinese market. While celebrity collaborations offer exposure, brands must be cautious to avoid potential disasters. Can brands handle this balancing act, or are celebrity collaborations just asking for disaster?



# From Quirky Appeals to Digital Drama: Inside China's Cyber Judging Phenomenon



**For this generation of young people, being occasionally late for work is forgivable, but being a "food delivery judge" means logging in precisely at 12 noon every day.** This seemingly "meddlesome" role has motivated many users to put in more effort than they do in their actual jobs.

The term "cyber judge" refers to the "reviewer" feature introduced by certain apps. When businesses receive negative reviews from customers, they can appeal to the "online court" and invite reviewers to decide whether the evaluation is biased. Anyone can become a reviewer, participating in the disputes between merchants and consumers through voting.

The reviewing panel also has a social aspect. More and more users, after passing judgment on a case, screenshot their absurd "appeals" and upload them to social media, involving more netizens in this "national trial".

Why are people doing it?

While helping both parties maintain fairness, the absurd confrontations between quirky buyers and sellers, the appearance of dramatic scenarios, creative dialogues, meme images, and the sense of victory after making a judgment all work together to make the process entertaining and morally satisfying for the "judges".

It's worth noting that data indicates the food delivery judges handle over 90,000 dispute appeals per month, with approximately 50,000 food delivery businesses successfully appealing each month, mitigating the impact of unjustified negative reviews.

In other words, for every person who becomes a "cyber judge", there might be one less consumer/business falsely accused.

Would you sign up?



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# China's Fashion Revival: A Sign of Economic Recovery?

**After months of uncertainty, it seems that the apparel market in China has finally turned a corner.**

Even after China's reopening in December of 2022, sales for men's wear, women's wear and sportswear all experienced a decline with sales down 4%, 14% and 6% respectively.

And contrary to traditional wisdom, the Spring Festival didn't cause the increase in demand that we would typically expect. As 80% of the population struggled with illness, sales fell even more in January 2023.

BUT, it appears that the ship may now be righted (or at least on the right track.)

Last month online sales of men's wear experienced a growth of 7%, while women's wear grew by a whopping 32% and sportswear sales increased by 3%.

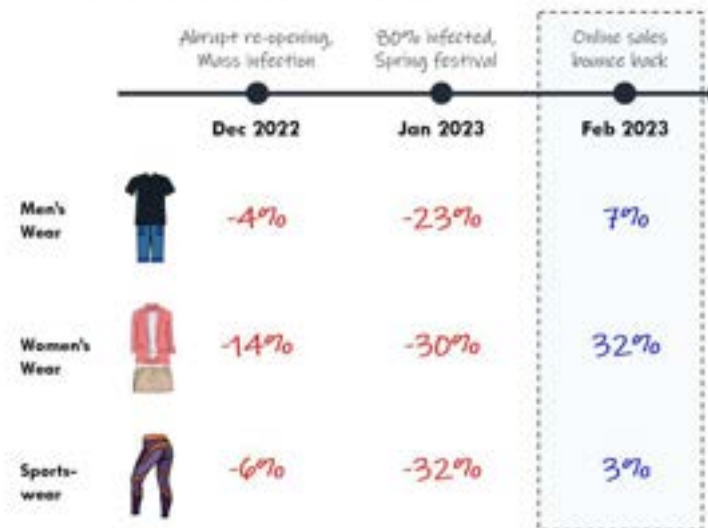
Does this signal economic recovery in China (I certainly think so)? Or should we brace for more turbulence ahead?

## REVIVING FASHION:

CHINA'S APPAREL SALES BOUNCE BACK IN FEB 2023



APPAREL CATEGORIES YOY GROWTH ON TMALL



Receive the latest ecommerce news and China insider tips direct to your inbox.  
<http://kungfudata.com/emailsignup>



# From Cities to Wilderness: China's Thriving Outdoor Culture

**In China, the outdoor lifestyle is undergoing a transformative evolution, presenting exciting opportunities beyond traditional pursuits.**

The surge in outdoor activities reflects a shift towards more hardcore endeavours like scuba diving and parkour, alongside the burgeoning trend of "Citywalk", which integrates urban living with outdoor experiences.

Moreover, the rise of "Ultralight Outdoor" signifies a preference for lightweight equipment and a carefree mindset among enthusiasts. Brands like Li-Ning and Nike are meeting this demand with innovative products catering to both urban fashion and outdoor utility.

Data from Taobao reveals a remarkable growth in outdoor products, with camping and cycling gear experiencing significant spikes in sales. This reflects a broader trend towards embracing the outdoors as a lifestyle choice rather than a mere recreational activity.

As the outdoor boom continues to gain momentum, it underscores consumers' desire for a quality lifestyle and presents new avenues for brands to innovate and engage with their audience.





## Abandoning the Prestige! China's Youth are Turning to Wholesale Markets for Shopping



**Young Chinese are ditching expensive fashion for wholesale markets. Instead of chasing brands, they're adopting a "you get what you pay for" mindset.**

Wholesale markets, once considered outdated, are now buzzing with activity near Beijing's Third Ring Road. Clothes and jewelry are a steal at just a dozen or twenty yuan, making it a budget-friendly haven for the youth. This trend is reshaping how people view shopping. The joy of discovering cheap and stylish items without brand premiums has made wholesale markets a go-to for the younger generation.

Beyond cost savings, the tactile experience of choosing clothes sets wholesale markets apart from online shopping. Unlike online stores, where clothes are just numbers, here you can touch and feel the fabric. Wholesale markets are also becoming fashion education hubs. Market owners, deeply in tune with trends, offer insights into everything from American vintage to Y2K styles. This hands-on approach contrasts with the fleeting nature of internet trends.

Negotiation flexibility and an approachable atmosphere make wholesale markets a hit among youth. Unlike intimidating upscale malls, these markets empower young shoppers to shape their style without breaking the bank.

As online shopping becomes mainstream, some youth are rediscovering the charm of wholesale markets. This trend signifies a desire for a more hands-on and authentic approach to fashion. In essence, the rise of wholesale market enthusiasts among China's youth represents a shift towards affordable and tangible fashion. The joy of discovery and the empowerment of self-expression now take precedence over brand-driven trends.

Are we witnessing a lasting shift towards affordable, hands-on fashion experiences, where the joy of discovery and personal expression trump the allure of brand-driven trends? What's your take on this evolving fashion landscape?



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# Activewear = Women's Empowerment in China

**The landscape of women's sportswear in China is experiencing a transformative shift, driven by a collaborative effort between brands and female consumers.**

As women increasingly embrace fitness, their presence in gyms and participation in home workouts are on the rise, marking a significant demographic shift. However, challenges persist, with societal norms often hindering women's full participation in sports.

Yet, amidst these challenges, there's a promising trend of brands acknowledging and addressing women's needs. Gone are the days of simplistic "pink thinking"; instead, brands are diversifying their offerings and engaging with real issues faced by female consumers. Companies like lululemon and Nike are leading the charge, not only in product innovation but also in empowering women through meaningful partnerships and community initiatives.

The journey towards true empowerment in women's sportswear is ongoing. It requires a concerted effort from brands to understand and cater to diverse body types and athletic interests. Moreover, it necessitates a cultural shift where women are encouraged to participate in sports without fear of judgment or scrutiny.

As China's activewear market continues to evolve, the collaboration between brands, female consumers, and athletes holds immense promise in redefining the role of women in sports. With a focus on inclusivity, empowerment, and genuine support, the future of women's sportswear in China looks brighter than ever.





# Cartoon Fashion Takes Over in China



**In 2023, the fashion landscape is experiencing a whimsical transformation as cartoon-inspired styles take center stage.**

From Moschino's playful pool float collection to MSCHF's Big Red Boots inspired by "Astro Boy", designers are infusing garments, accessories, and even coffee mugs with a sense of lightheartedness.

This rise of cartoon fashion isn't just a passing trend; it's a cultural phenomenon. Major luxury brands are embracing anime IPs, translating their unique aesthetics into tangible designs that resonate with consumers. Collaborations with iconic characters like Mickey Mouse and Studio Ghibli's creations go beyond branding, delving into intricate product offerings that captivate audiences.

Moreover, cartoon IPs evoke a sense of wonder and optimism, resonating with consumers in an era of constant change. By tapping into these cultural symbols, luxury brands establish connections with shared values and emotions, fostering a sense of nostalgia and adventure among fashion enthusiasts.

As we journey through 2023, expect to see more delightful collaborations and innovative designs that blur the lines between fashion and animation, creating a world where imagination knows no bounds.

# Shifting Tides in Chinese Fashion: Quality Trumps Discounts

**In a post-pandemic world, Chinese fashion consumers are redefining priorities, moving away from traditional discount-driven strategies.**

Brands are recognising that extreme discounts erode profits and harm brand image, prompting a shift towards emphasising value and brand strength.

Lululemon's stock price plummeted due to continuous discounts, urging brands to reconsider their promotional tactics. This shift has led to a reduction in extreme promotions as brands focus on enhancing their overall value proposition.

Luxury brands like Chanel and even fast-fashion giant Zara are strategically raising prices, leveraging the Veblen effect, where higher prices signify status and desirability. VIP customers are key contributors to growth, constituting a significant portion of sales for both luxury and fast-fashion brands.

In the era of rational consumption, consumers prioritise authenticity and passion over discounts, reshaping traditional marketing strategies. Brands dedicated to product development and brand image are positioned for growth in this evolving landscape.

The key to sustained growth lies in identifying target audiences, enhancing product value, and planning rational pricing. Blind discounting or price hikes are unsustainable; brands must strike a balance and maintain excellence in quality, service, and brand culture.

As the fashion landscape adapts, brands must align with the era of rational consumption. The question remains: In a world shifting towards quality and authenticity, what captures your loyalty – genuine passion or fleeting discounts?





# Exploring China's 'Solitude Economy': Alone, But Not Lonely

**In China, more "single-member households" are driving a need for products to combat loneliness.** Surprisingly, 57.69% of young adults living alone use consumption to alleviate solitude, with 41.57% spending ¥1000-3000 monthly.

In 2021, a whopping 95 million "empty-nest youth" existed in China, with 54.6% favouring a solitary lifestyle for personal space, freedom, and convenience.

The emerging Loneliness Economy caters to not only young singles but also those actively seeking solitude, like childless households or long-distance couples. It includes services like "solo dining", "solo bars", "single-person" insurance, "mini KTV booths", and solo group travels.

The Loneliness Economy has streamlined and diversified consumption patterns. Data shows differences in spending between singles and others, emphasising the importance of self-consumption and self-expression for singles.

Interestingly, the Loneliness Economy has a social impact. In 2020, a Weibo topic, "College Students Earn ¥20,000 by Chatting at Home for Ten Days", highlighted spending to combat loneliness.

Businesses are tapping into this market with products like single-serving meals, resonating with the "empty-nest youth". The success of the "Single Economy" has given rise to the "Companionship Economy", where pets become emotional anchors for the lonely.

As the Loneliness Economy grows, businesses should see it as more than profit; understanding and connecting with consumers is crucial. Designing products for single individuals is key to standing out. How can businesses become true companions in the Loneliness Economy, providing personalised solutions for the growing demographic of solitary consumers?



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# Chinese Guys' Shopping Revolution: Redefining China's Retail Landscape



**In the vast realm of Chinese shopping, a major shift is underway – guys are taking center stage.**

The age-old notion in the Chinese consumer market, "Women > Children > Dogs > Men", is getting a stylish makeover. Men are breaking free from stereotypes, challenging the idea that "women rule the shopping roost".

In 2022, 52.6% of men reported no change in their clothing budget, 35.8% increased it, and only 11.6% decreased it. Men are flexing their fashion muscles, and it's all about self-love. On the 2023 Chinese Qixi Festival, online chatter wasn't just about guys giving gifts to goddesses. Comments rolled in – why should guys always be the gift-givers? Why not treat themselves? Who says self-love can't come in a snazzy package?

Modern Chinese men are doing things differently. No more blindly chasing love or spending loads to impress. In the dating scene, they're saying, "Why should guys always give gifts? Let's treat ourselves for a change!" They're rewriting the narrative, focusing on personal happiness amidst the pressures of dowries and loans.

As guys get into online shopping, brands are paying attention. "CHAO", is the male "Little Red Book", and the sneaker platform "Poizon". They're the go-to spots for men born after 1990, owning the shopping game like it's their playground.

Brands like "Bird of Paradise" and "Seven Wolves" are leading this men's revolution. Between 2019 and 2022, "Bird of Paradise" saw its earnings go from ¥3.273 billion to ¥4.313 billion, boasting a growth rate that even a rocket would envy.

The male market is booming, and brands are catching the wave. The challenge now? Figuring out the perfect dance move in this new, cool rhythm of guy shopping.



# Unlocking the Magic of Niko and...: A Lifestyle Brand Phenomenon in China

**Niko and... has taken China by storm, captivating the hearts of young locals with its unique blend of fashion and lifestyle offerings. But what's the secret behind its rapid success?**

At the heart of Niko and... lies a meticulous integration of lifestyle into every aspect of the brand experience. From product categories curated to embody the lifestyle to displays arranged according to scenes and themes, every detail resonates with the brand's essence. Collaborations with diverse brands, artists, and designers breathe new life into their offerings, captivating consumers and nurturing a sense of community.

Moreover, Niko and... strategically leverages social media and trendy locations to spread its lifestyle philosophy like wildfire. By embracing user segments and offering immersive experiences like in-store events and outdoor concerts, the brand fosters a sense of belonging and identity among its consumers.

In a rapidly evolving market, Niko and... stands out by constantly adapting and innovating, catering to the desires of modern consumers and creating a brand experience that goes beyond mere products—it's a way of life.





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## A Quiet Comeback: A Look into the Factors Driving Growth in China's Clothing Market in 2023



**Amidst China's post-pandemic economic recovery, the clothing industry is quietly making a notable comeback.**

While sectors like real estate and food struggle, textile and automotive industries shine, with clothing companies witnessing significant stock price increases.

Leading the resurgence are key factors:

1. Expansion of Leading Companies: Amid market challenges, major players like Haier Leng and Baoxiniao expand, capitalising on increased online sales and market share gains.
2. Retail Sales Growth: Monthly retail sales in the clothing sector show remarkable year-on-year increases, reflecting a broader recovery trend.
3. Boosted Business Confidence: Rising PMI signals enhanced confidence, propelling industry optimism despite challenges.

In 2023, shifting consumer trends, particularly among the Z generation, drive increased spending and brand loyalty, further fueling the industry's rebound.

With robust growth projections and evolving consumer habits, the clothing sector continues to demonstrate resilience and promise in China's economic landscape.



# Fashion Meets Coffee: The Buzz Behind "Fashion + Coffee" Pop-Up Stores in China



**In 2023, the fusion of fashion and coffee is taking center stage in China's marketing landscape, as both international luxury brands and light fashion labels embrace the trend of "Fashion + Coffee" themed pop-up stores.**

This rise in popularity is seen by some as a response to current consumer downgrading, while others view it as a reflection of a new phase in consumer behavior.

Li-Ning and Ralph Lauren led the way in 2022 with coffee shop ventures and dedicated coffee areas within stores. Now, the fusion has extended to the pop-up store model, creating a hot trend that has captivated consumers.

But why the focus on coffee? Perhaps it's because coffee, with its social attributes and perceived upscale vibe compared to tea or milk tea, offers ample creative potential in taste and packaging, becoming a powerful tool for brands to connect with consumers.

June 2023 witnessed a sensation with the "LV Canvas Bag for ¥580", a collaboration between LV and Manner in three Shanghai pop-up stores themed around books and coffee. In this innovative marketing move, customers spending over ¥580 received a complimentary LV canvas bag, briefly resold online for over a thousand yuan by scalpers.

Even light fashion and fast-fashion brands like Converse, HUMAN MADE, Luxemporium, and DIESEL have joined the pop-up store bandwagon in 2023, driven in part by less-than-satisfactory sales figures.

H&M, for instance, has seen a decline in the number of stores in China, shrinking from 2% in 2019 to 12% in 2021. Li-Ning, despite investing in coffee shops and pop-up stores, experienced a significant slowdown in growth from 56% year-on-year in 2021 to 14% in 2022.

In today's cautious market, where advertising and marketing expenditures are closely scrutinised, pop-up stores are gaining favour. With shorter cycles and lower labor and rent costs, they provide quick feedback, generate social media buzz, and boost sales through creativity.

While luxury brands traditionally focused on aesthetics in their pop-up stores, light fashion brands face a different challenge. For them, pop-up store activities must not only "gain attention" but also "generate sales".

Can collaborative pop-up stores effectively create hot-selling items for light fashion brands and bring in more customers for daily operations in the long run?



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## "Grandma's BM Style" Sweeps China's Fashion Scene!

**China's fashion scene sees a resurgence in the "BM style" trend, originating from Brandy Melville with its signature "one size", "form-fitting", "plaid", and "short tops".**

Now, young Chinese trendsetters are revamping this style, turning "grandma's BM style" into a bold fashion statement. Floral cotton tank tops priced at ten to twenty yuan are becoming staples in many wardrobes, blending classic and innovative elements with quality and sustainability.

This trend appeals to a wide age range, offering both aesthetic charm and practicality at a fraction of the usual cost, especially in a market where even underwear comes at a premium.

The popularity isn't limited to young fashion enthusiasts; even filial children seek affordable fashion for their parents, such as old men's knitted sweaters for ¥30, with free shipping on platforms like Pinduoduo.

Budget-friendly alternatives like these sweaters are gaining traction over expensive JK uniforms, as cost-conscious consumers prioritise practicality over extravagance.

Online communities, like Douban's frugal groups, are reshaping consumer perspectives, encouraging rational purchases and resource maximization. Social media discussions, like Weibo's trending topic on simplicity, underscore this shift towards mindful consumption. With every penny spent being a vote for the desired lifestyle, individuals are reevaluating their choices and asserting control over their lives.

Embracing the timeless allure of "Elderly BM Style" challenges traditional fashion norms, inviting individuals to redefine their style. Are you ready to join the movement?





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# The Rise of City Walk: A Lifestyle Trend Sweeping China



**Amidst China's bustling tourism scene, a new trend emerged in the summer of 2023: City Walk.**

Defined by aimless strolls through unfamiliar cities, free from tourist traps, City Walk quickly gained traction, especially among the youth.

On platforms like Xiaohongshu and Douyin, City Walk topics garnered millions of views, signaling its widespread appeal. But why has City Walk become so popular?

1. A Desire for "Slowness": In a fast-paced society, City Walk offers a chance to slow down and savour the moment, free from social media pressures.
2. A Yearning for "Discovery": City Walk allows exploration of hidden gems and cultural experiences, fostering a sense of adventure and curiosity.
3. A Need for "Companionship": Amid rising loneliness, City Walk provides social engagement and meaningful interactions, fulfilling emotional needs.

This lifestyle trend presents opportunities for brands to align with the City Walk ethos, offering experiences over products and embracing localised marketing strategies. As City Walk continues to captivate, it reshapes travel and marketing landscapes in China.



# Unveiling the 2023 Trends Shaping China's Major Sports Brands



**The first half of 2023 has seen major Chinese sports brands like Anta Sports, Li-Ning, Xtep International, and 361° maintaining their stronghold, surpassing ¥50 billion in revenue collectively.**

However, growth rates have tempered compared to previous years, prompting a shift in strategy towards sustained market recognition.

Brands are refocusing on their sports core, veering away from excessive fashion-centric approaches. Emphasising expertise in niche sports domains over trend-chasing, they're carving out a distinct identity. ANTA Sports and Li-Ning lead the charge, highlighting professionalism and product quality in their messaging.

Efficiency reigns supreme, with inventory optimization and promotional adjustments becoming paramount. Li-Ning's discount strategies, while clearing inventory, have affected profit margins. Adjusting product structures and enhancing online offerings, like 361°'s online exclusives, are central to this evolution.

Offline strategies are also evolving, prioritising operational efficiency over sheer store numbers. Store live broadcasts are becoming commonplace, leveraging offline presence for enhanced engagement.

As sports brands navigate growth limitations, they're poised to capitalise on a positive market outlook by reinforcing brand competitiveness and recognition.



# Livestream E-Commerce Drives Impulse Buys... and High Return Rates in China

**The 2023 618 Shopping Festival shed light on a concerning trend: jewelry items marketed through TikTok, boasting a staggering 90% return rate, ignited widespread debate.**

While e-commerce platforms refute these claims, data underscores persistently high return rates in live-streaming sales, attributing them to the nature of impulsive consumption.

Understanding consumer decision-making reveals the psychological mechanisms at play. Live-streaming's visual immediacy and anchor influence stir impulsive purchases, exacerbated by discount tactics and freebies. However, this impulsive buying behavior often leads to post-purchase regret and subsequent returns, impacting brand trust and value.

Excessive reliance on live-streaming risks diminishing brand esteem and eroding consumer trust. Brands must tread cautiously, ensuring live-streaming efforts enhance rather than compromise brand value. By striking a balance between promotional strategies and consumer expectations, brands can navigate the complexities of live-streaming e-commerce, fostering lasting consumer relationships built on trust and reliability.





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## The Colourful Craze: Unveiling China's "Dopamine" Trend

**In 2023, the term "dopamine" gained prominence on major Chinese platforms, with hashtags like #DopamineFashion and #DopamineEmotions trending.**

This trend extended beyond social media, impacting diverse areas such as supermarkets, ice cream, and travel experiences, all centered around the neurotransmitter dopamine, closely linked to human desire and happiness.

"Dopamine Fashion" emerged, utilising bright colours to evoke joy, relaxation, and positivity, as brands strategically embraced this "colour trend" to connect emotionally with consumers. Beyond surface appeal, the dopamine trend provided mental relief during times of widespread anxiety, serving as an emotional outlet in the pandemic era.

Emotional marketing found expression in "dopaminization", employing lively colours to represent happiness and self-expression, propagated through sharing, replication, and DIY efforts. The concept extended to fragrances, with "dopamine girls" perfumes gaining popularity, showcasing adept use of emotional marketing.

Brands capitalised on the trend by infusing vibrant colours into products to convey attributes like happiness and confidence, employing various marketing techniques to foster profound emotional connections with consumers.

However, brands must acknowledge the transient nature of the dopamine trend, as it's a fleeting psychological stimulus. Instead of fixating solely on colour marketing, understanding the attitudes, needs, and values of young people is crucial.

Amid this colourful trend, readers may have noticed its influence on emotions. How does the dopamine trend align with your feelings and preferences? As consumers, what expectations do you have from brands to establish genuine emotional connections in this evolving landscape?





# The Convergence of Theatre & Fashion: A Rising Trend in China

**In recent years, theatre has transcended its niche status in China, finding a new avenue in the fashion industry's marketing strategies.**

Luxury brands like Valentino, LV, Montblanc, and PORTS are integrating theatrical arts to connect with consumers on a deeper level. Collaborations range from immersive experiences to customised stage costumes, showcasing a multifaceted pursuit of beauty and creativity.

However, leveraging theatre for marketing requires substantial investment, meticulous planning, and management capabilities.

Ensuring believability in costume design and evoking emotional resonance without cultural barriers are key considerations. With Chinese consumers increasingly valuing emotional connections with brands, theatre presents significant development potential.

As digital technologies advance, theatre's communicative power is set to grow further, offering brands new avenues for engaging storytelling. Yet, navigating the complexities of theatrical marketing demands brands to maintain control and foster cultural understanding, presenting multifaceted challenges and opportunities alike.



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## Unveiling Fashion Trends on Chinese Short Video Platforms



TikTok  
@passboygirl

**The clothing consumption market in China has seen remarkable growth since 2021, with per capita spending on clothing reaching new heights.**

Despite a slight dip in 2022, it has bounced back to pre-pandemic levels, indicating robust market resilience. Meanwhile, emerging trends in consumer behavior are evident on short video platforms like Douyin.

Users, particularly females and younger demographics in high-tier cities, exhibit a strong interest in fashion content, with Generation Z users leading the trend. They actively engage with fashion-related videos, seeking out cutting-edge trends and sharing their personal styles. Brands can capitalise on seasonal events like Double 11 and Chinese New Year to promote their products and leverage platform activities to enhance visibility.

Moreover, anticipating the autumn/winter 2023 season, here are six predicted popular trends:

- Old Money Aesthetic
- Streetwear & Punk
- Dark & Gothic
- Balletcore
- Wasteland Style
- New Chinese Style

These trends reflect evolving consumer preferences and market dynamics, shaping the future of fashion on short video platforms.



# Leveraging the Revived Chinese Concert Market: A Boon for Luxury Brands

**The Chinese concert market is experiencing a remarkable resurgence, with a staggering increase in performances, box office revenue, and audience attendance in the first half of 2023.**

This revival presents a lucrative opportunity for luxury brands to tap into the fan economy and capitalise on the pent-up emotional demand of enthusiasts.

As fans eagerly return to live shows after a prolonged hiatus, brands can leverage this surge in ticket purchases to deepen their engagement with consumers. Concerts have become more than just music events; they serve as outlets for stress relief and opportunities for social gatherings, especially among the younger generation.

Moreover, the impact of the "concert economy" extends beyond entertainment venues. It ignites cities by driving tourism and retail business in smaller urban centers. Additionally, concert fashion has emerged as a significant trend, offering luxury brands a platform to showcase their products and gain exposure among fans.

By closely aligning fashion with entertainment, luxury brands can strengthen their presence in the market and tap into new growth opportunities. Collaborations with performances and ambassadors can serve as powerful marketing tools, attracting fans and driving sales. However, brands must tread carefully to avoid accusations of exploitation and maintain positive relationships with fan communities.

In an era of uncertainty and societal stress, the allure of the "concert economy" remains strong, offering brands a promising avenue for growth and connection with consumers.



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# How "Crazy Little Yang" Reignited the Douyin Live-streaming Sales Scene

In a remarkable comeback, **Three Sheep Company, the force behind Douyin sensation "Little Yang", seized the spotlight with a staggering GMV of ¥855 million**, reclaiming its throne as Douyin's largest MCN organization for live-streaming sales.

Despite initial endeavours in humorous videos, "Crazy Little Yang" swiftly transitioned into a live-streaming e-commerce host, leveraging low prices and mass market targeting to skyrocket sales.

The success story unfolds against a backdrop of rapidly changing live e-commerce dynamics.

While collaborations with top-tier streamers can drive short-term sales, profitability remains uncertain. High-end brands, resistant to price cuts, may find it challenging to align with Three Sheep's strategy. Additionally, the "slice and sell" business model, advocated by Three Sheep, faces regulatory uncertainties and content saturation risks.

As Three Sheep navigates these challenges, its future growth trajectory hangs in the balance.



# Decoding China's Luxury Market: Trends and Tactics for Success in 2023

**The outlook for China's fashion and luxury market in the second half of 2023 presents both challenges and opportunities.**

Despite the resilience of top brands amid the pandemic, the broader market faces ecological and economic uncertainties, including the global inflation crisis.

Consumer market dynamics are crucial amidst economic uncertainty. Recent data, such as the Consumer Price Index (CPI) and youth unemployment rates, indicate cautious consumer sentiment. While some luxury brands show growth, the overall market's recovery remains uncertain, particularly with youth unemployment affecting key consumer demographics.

Luxury brands must navigate these complexities to make precise investments. Understanding evolving consumer bases and focusing resources strategically, possibly towards the expanding middle class, can drive growth. Additionally, recognising the polarization between high-end and mass markets highlights the importance of value propositions tailored to diverse consumer segments.

As external factors continue to influence market cycles, adaptability and strategic planning are essential for sustained growth. Despite challenges, the luxury market in China remains dynamic, offering opportunities for brands to thrive amidst competition and consolidation.





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## Step into the Future: Exploring the World of 3D Printed Footwear in 2023

**In 2023, the world of footwear is witnessing a groundbreaking revolution with the advent of 3D printed shoes.**

This innovative technology is liberating designers from the constraints of traditional sneaker manufacturing, allowing for unparalleled creativity and customization.

Several notable collaborations have emerged, showcasing the remarkable potential of 3D printed footwear. Brands like RAINS, PLEASURES, HOUSE OF ERRORS, NAMESAKE, BOTTER, and Moncler have partnered with technology companies to introduce cutting-edge designs that push the boundaries of conventional shoe design.

From the RAINS x Zellerfeld Puffer Sneaker to the Moncler x Zellerfeld Trailgrip 3D, each collaboration brings its own unique flair and functionality to the table. These 3D printed shoes not only offer unparalleled comfort and performance but also cater to individual tastes and preferences with customizable features.

While the future of 3D printed footwear holds immense promise, widespread adoption still faces hurdles of cost and time. Nonetheless, with continued innovation and investment, the potential for groundbreaking advancements in the footwear industry remains limitless.





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## The Missing Link: Why China Fails to Match UNIQLO's Fast Fashion Prowess

**The absence of a prominent fast fashion brand like UNIQLO originating from China may seem perplexing given its robust clothing industry.**

While brands like ZARA and H&M made strides in the Chinese market, local imitators failed to replicate UNIQLO's success. Despite its flourishing presence, UNIQLO hasn't spawned many imitators due to its challenging business model.

UNIQLO's business model operates on relatively low profit margins compared to traditional clothing retailers. Its gross margin, typically around 50%, is considerably lower than competitors like ZARA. Chinese clothing companies often boast higher profitability, discouraging direct competition with UNIQLO.

Moreover, UNIQLO's success stems from its meticulous attention to quality, tight control over the supply chain, and strategic brand positioning. Its focus on basic-style clothing coupled with stringent quality standards and efficient inventory management sets a high bar for potential competitors.

While China's clothing industry thrives, the emergence of a UNIQLO equivalent remains elusive. UNIQLO's unique blend of quality, affordability, and brand power presents a formidable challenge for aspiring contenders in the fast fashion realm.





THANK YOU FOR READING

# **100 Consumer Trends Disrupting China This Year**

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