

中国市场概览 China Market Overview



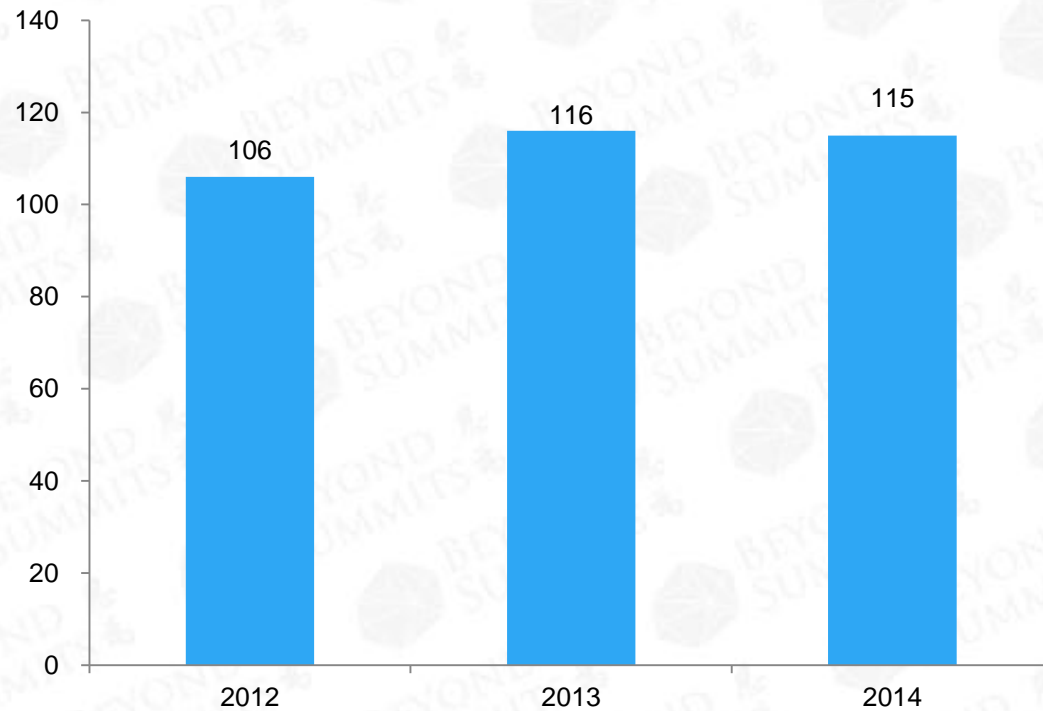
Luxury

Summary :

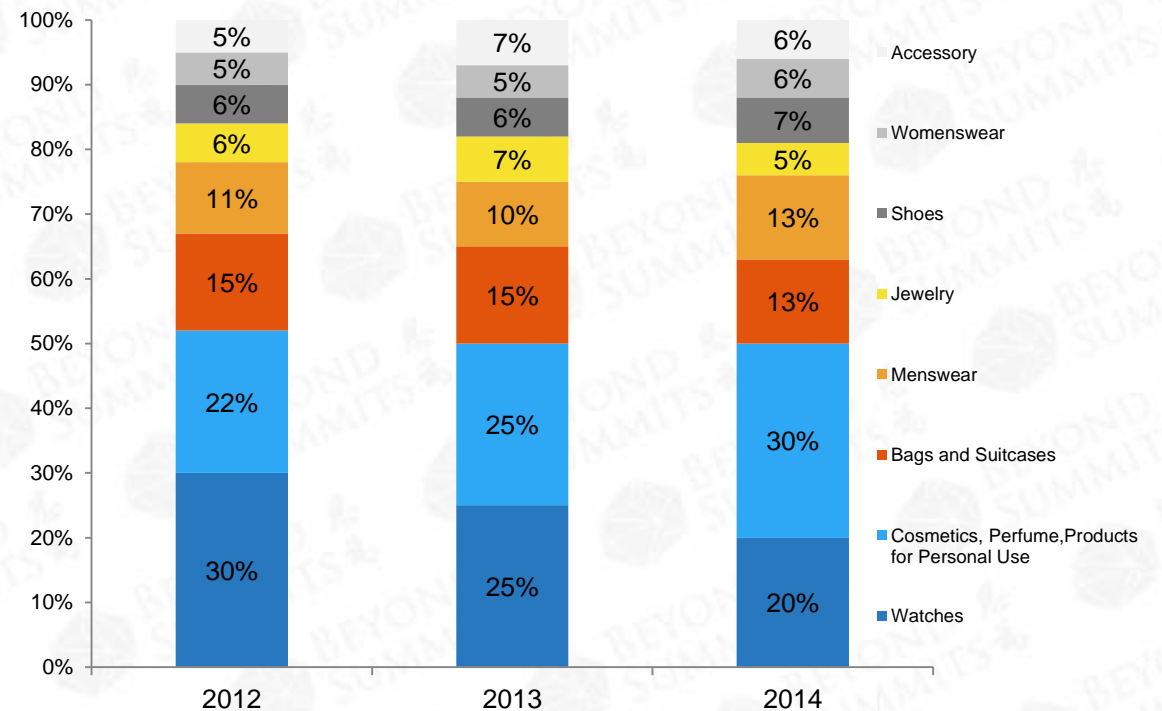
- Chinese domestic luxury market did not grow for the first time in 2014. However, economic slowdown and government's anti-corruption implementation aggravate the stagnancy of luxury market. However, in the future, 90% of luxury users will continue their purchase in a more rational way in 2015.
- As to Chinese consumers, they pay more attention to products' genuineness, customer services and exquisite craftsmanship. Domestic tourists often purchase luxury from airport duty-free stores. However, they prefer to buy luxury from overseas exclusive stores on their own.
- Self-consumption products, such as watches, clothes, shoes, luggage and leather products were welcomed by consumers, while cosmetics and jewelry were purchased more often as gifts. Deluxe wine/foreign liquor were suitable for both self-consumption and gifting.

China luxury-goods market volume, for the first time, has no growth in 2014, and it might be caused by government anti-corruption measures and decreased growth rate of China economy.

China Luxury-goods Market Size (2012-14) (¥ bln)



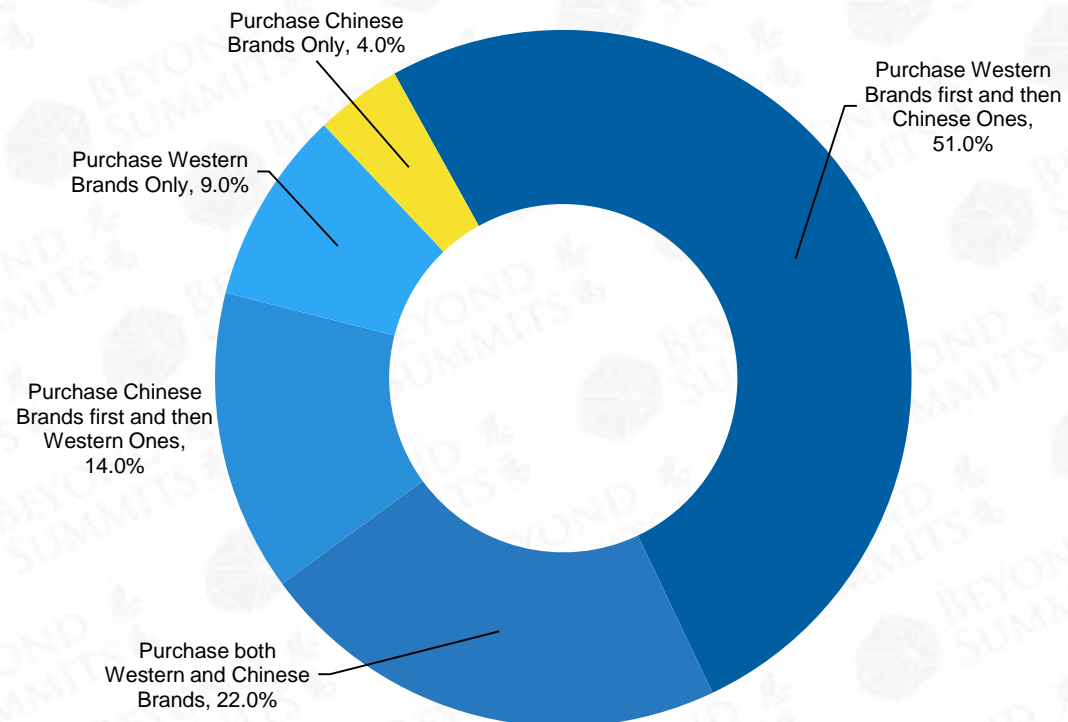
2012-2014 China Luxury-goods Market by Products (¥ 100 mln)



Source : Bain & Company, *China Luxury-goods Market 2014*

Chinese consumers are open to local luxury brands in terms of their purchase intension. And they think what western luxury brands convey is different from Chinese ones.

Purchase Intension of Chinese Consumer for Luxury Brands (2014)



For Western Brands

- Expensive
- Trendy
- Elegant

For Chinese Brands

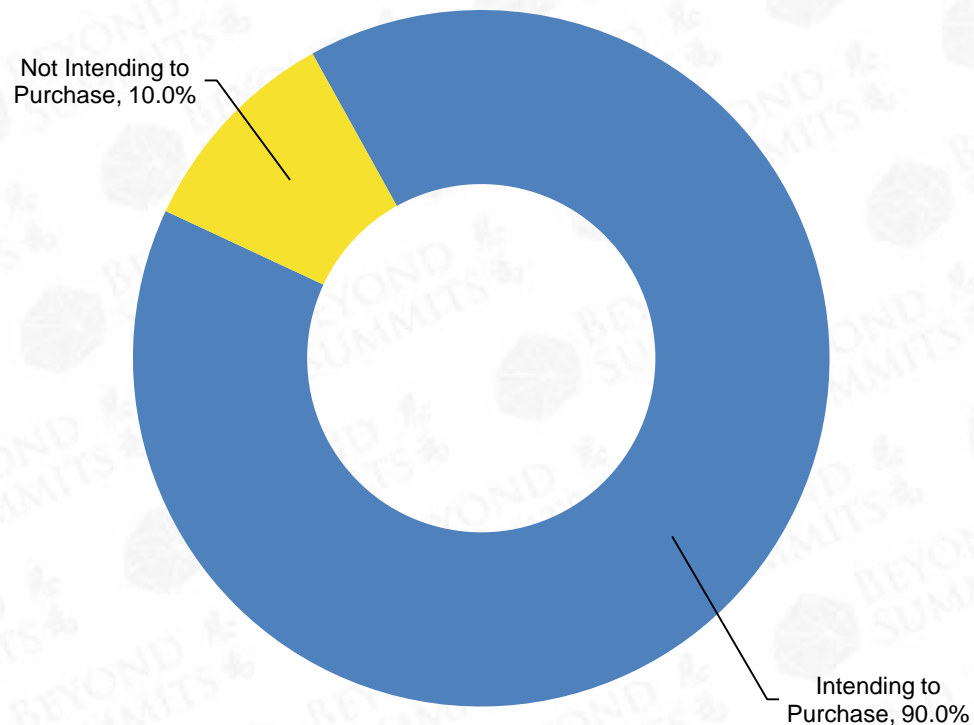
- Historical
- Heritaged
- Exquisite
- Genuine

Since Chinese consumers are more capable of appreciating exquisite handcraft and historic heritage, local brands are becoming popular and successful.

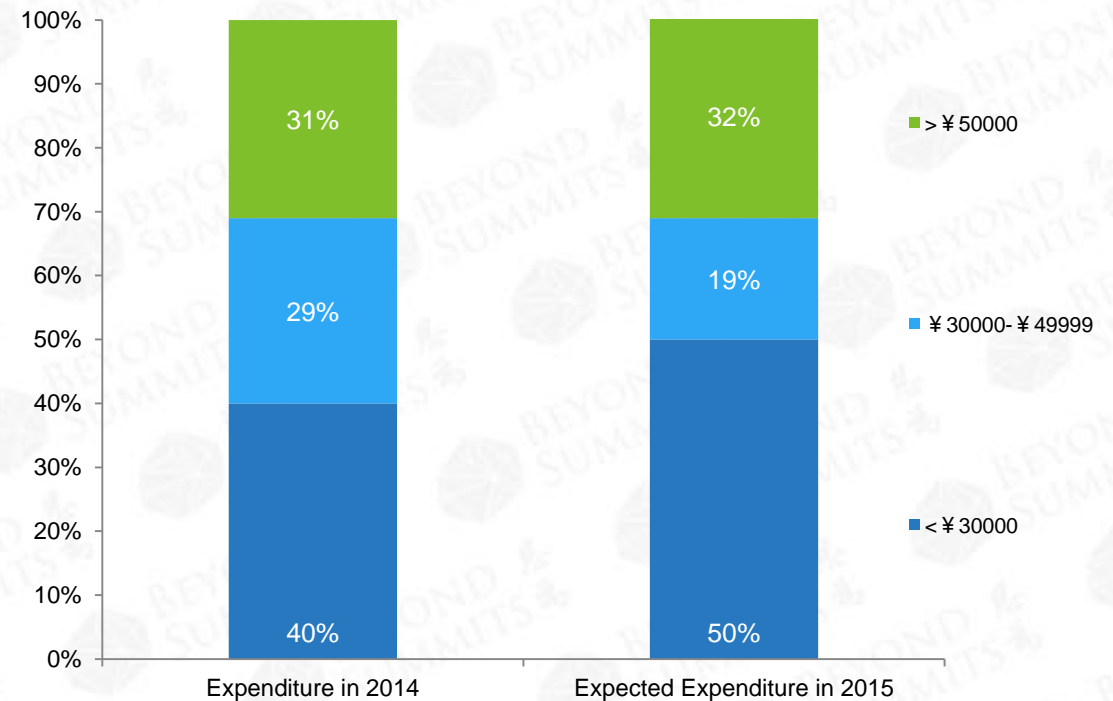
Source : Added Value, *China Luxury-goods Market Insight 2014*

10% of people who have purchased luxury goods last year have no intention to buy luxury goods in 2015. In 2015, percentage of consumers who intend to spend over 50 thousand RMB on luxury goods has not changed much and percentage of spending below 30 thousand RMB has increased.

Purchase Intension for Chinese Consumers of Luxury Goods (2015)



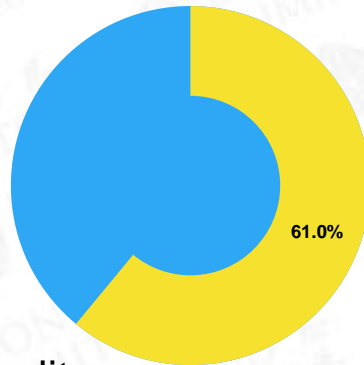
Percentage of Luxury Goods Consumer Expenditure (2015)



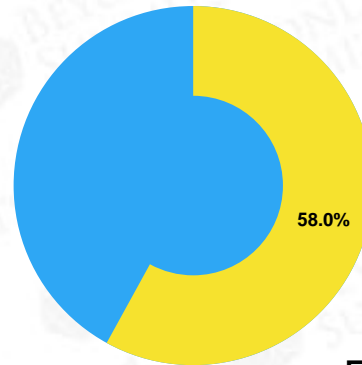
Source : FT China, *Luxury-goods Market Report 2015*

Chinese consumers think that three main attributes possessed by a luxury brand are genuineness, good consumer service and exquisite handcraft regardless of western or local luxury brands.

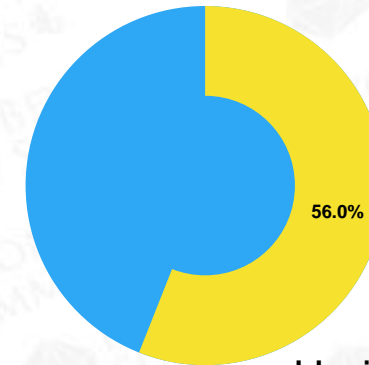
Genuineness



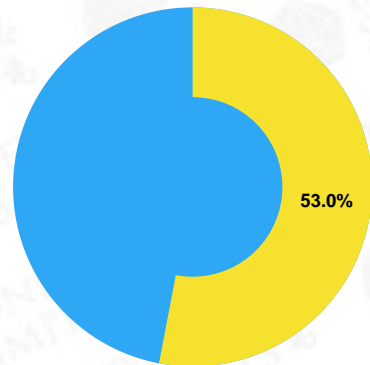
Good Consumer Service



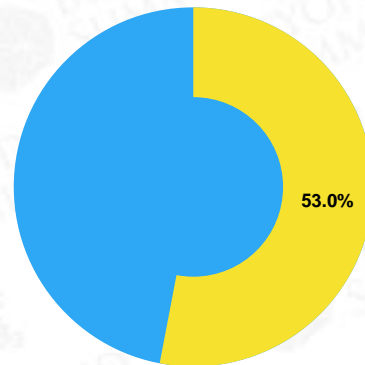
Exquisite Handcraft



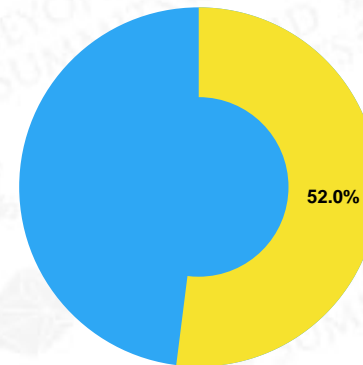
Good Quality



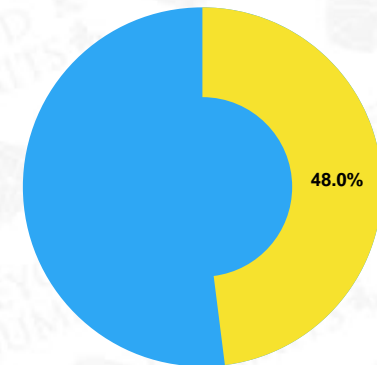
Rich Essence



Fine Design



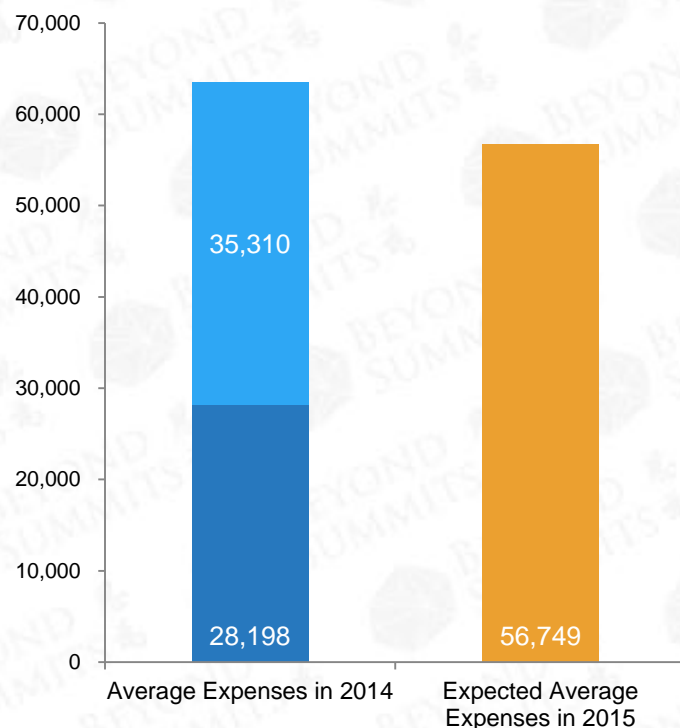
Heritage



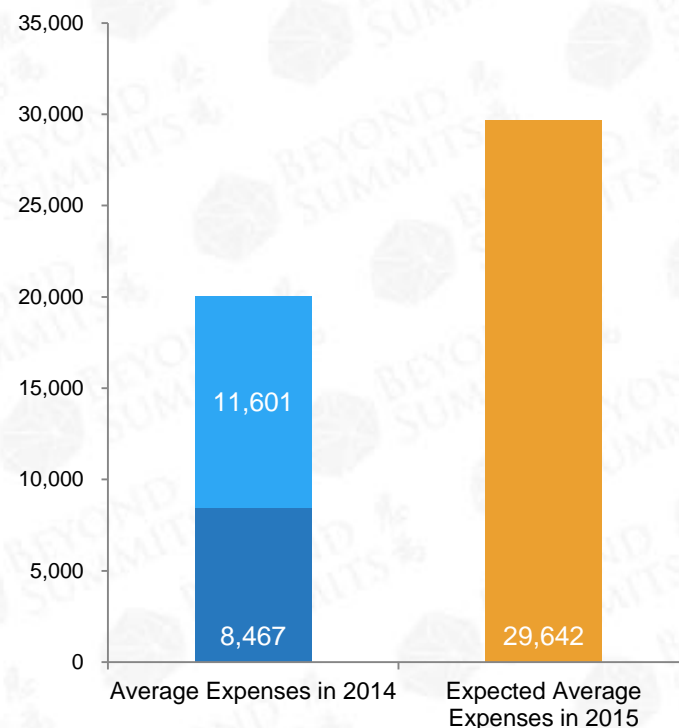
Source : Added Value, *China Luxury-goods Market Insight 2014*

Budgets per person for luxury goods will reduce 11% in 2015, compared to expenses in 2014. The number of consumers spending below 40 thousand RMB is expected to increase 48% in 2015 while numbers over 40 thousand RMB will reduce 20%.

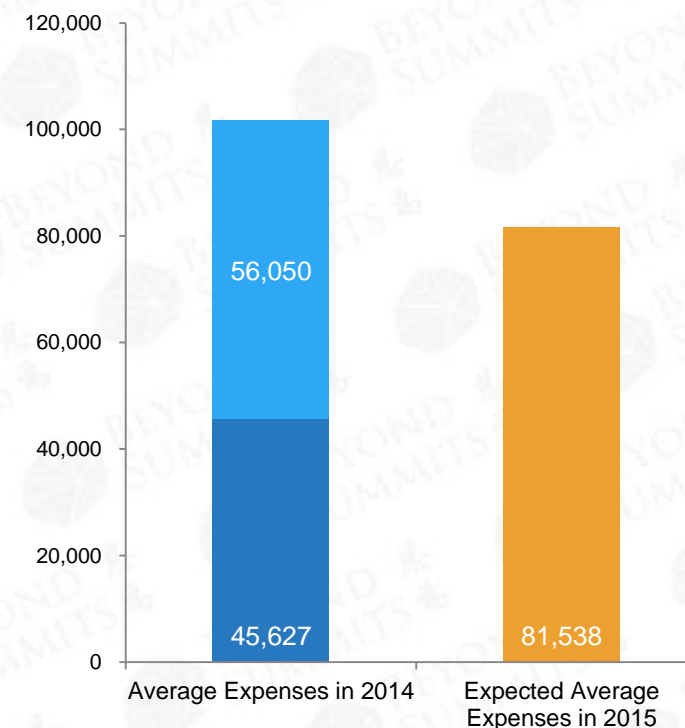
Budget for Luxury Goods (2015)



Budget (< ¥ 40 ths) for Luxury Goods (2015)



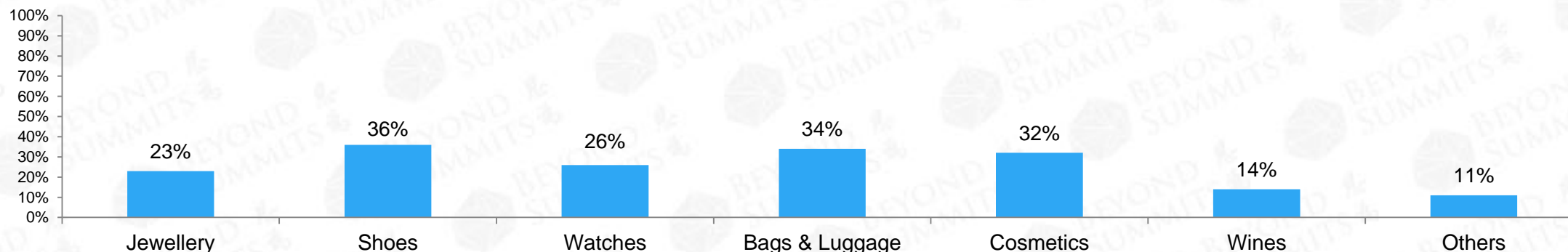
Budget (> ¥ 40 ths) for Luxury Goods (2015)



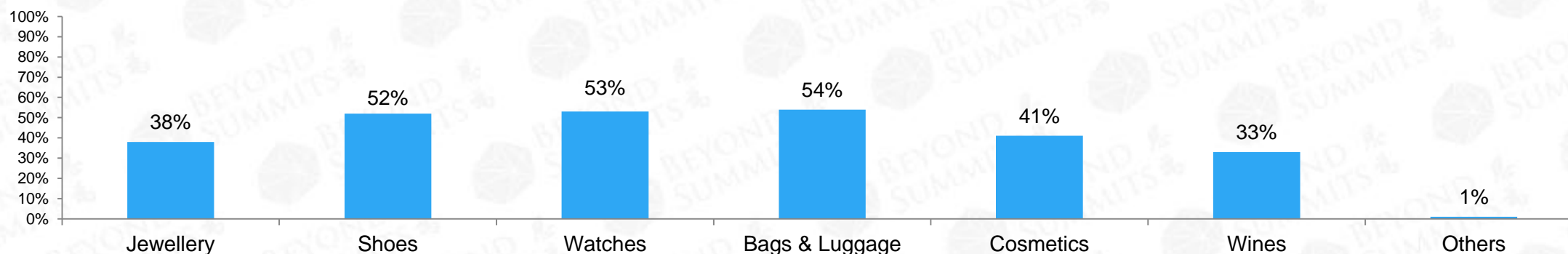
Source : FT China, *Luxury-goods Market Report 2015*

For personal use, consumers expending over 40 thousand RMB have purchased more product categories, compared with consumers expending below 40 thousand RMB.

Percentage of Luxury-goods Categories for Personal Use (2014) (Expending < ¥ 40 ths)



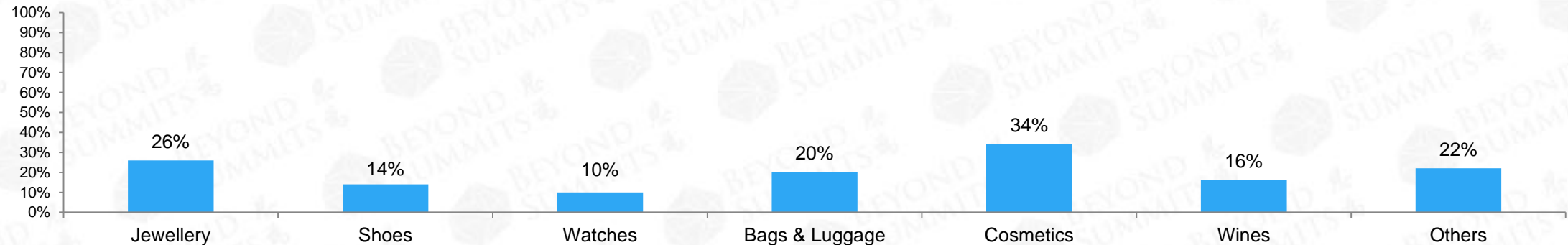
Percentage of Luxury-goods Categories for Personal Use (2014) (Expending > ¥ 40 ths)



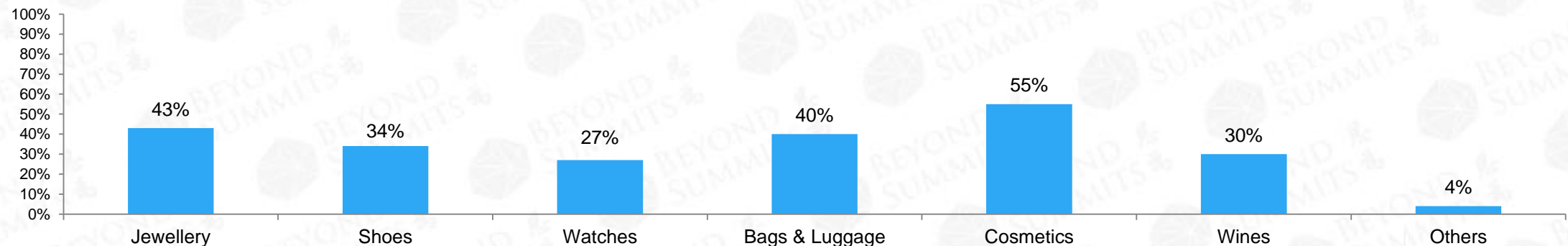
Source : FT China, *Luxury-goods Market Report 2015*

For gift-giving purpose, consumers expending over 40 thousand RMB have purchased more gifts, compared with consumers expending below 40 thousand RMB, especially on cosmetics, jewelry and bags & suitcases.

Percentage of Luxury-goods Categories for Gift-giving Purpose (2014) (Expending < ¥ 40 ths)



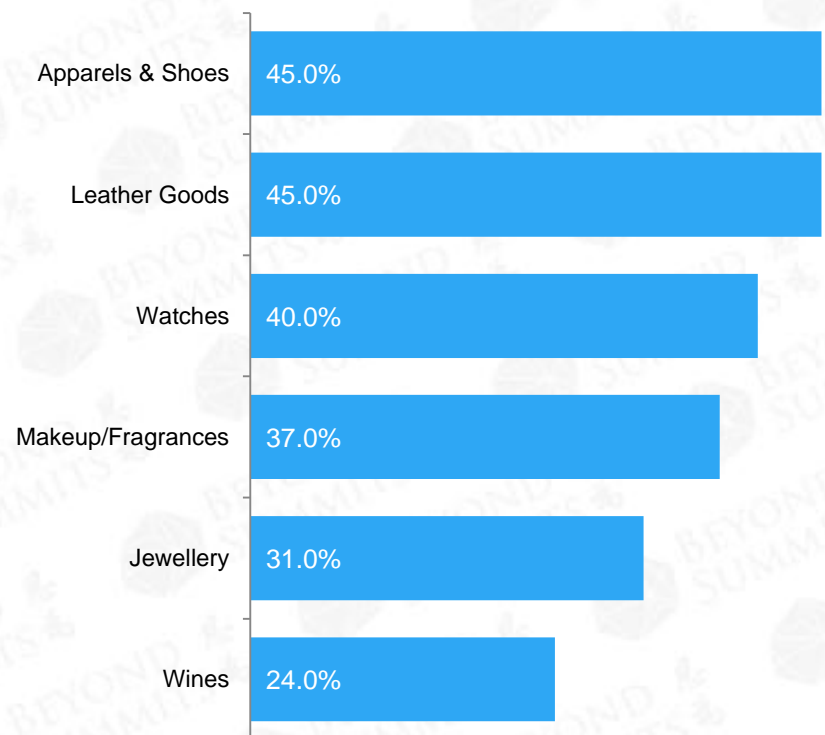
Percentage of Luxury-goods Categories for Gift-giving Purpose (2014) (Expending > ¥ 40 ths)



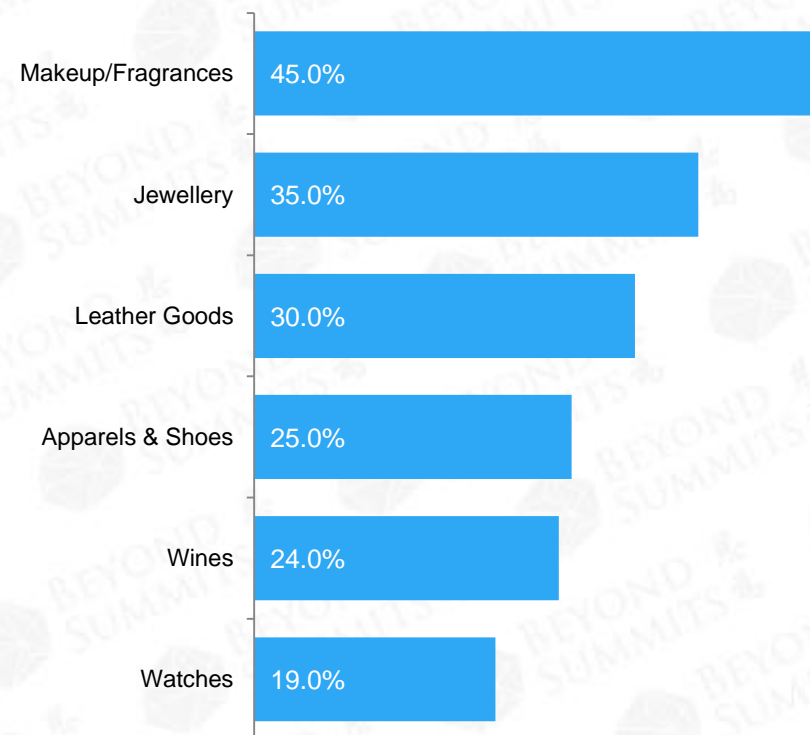
Source : FT China, *Luxury-goods Market Report 2015*

For personal use, watches, shoes and bags and suitcases are the most popular categories of luxury goods. For gift-giving purpose, cosmetics and jewelry are relatively popular. High-end wines are welcomed for both personal use and gift-giving purpose.

Luxury Goods Categories for Personal Usage (2014)



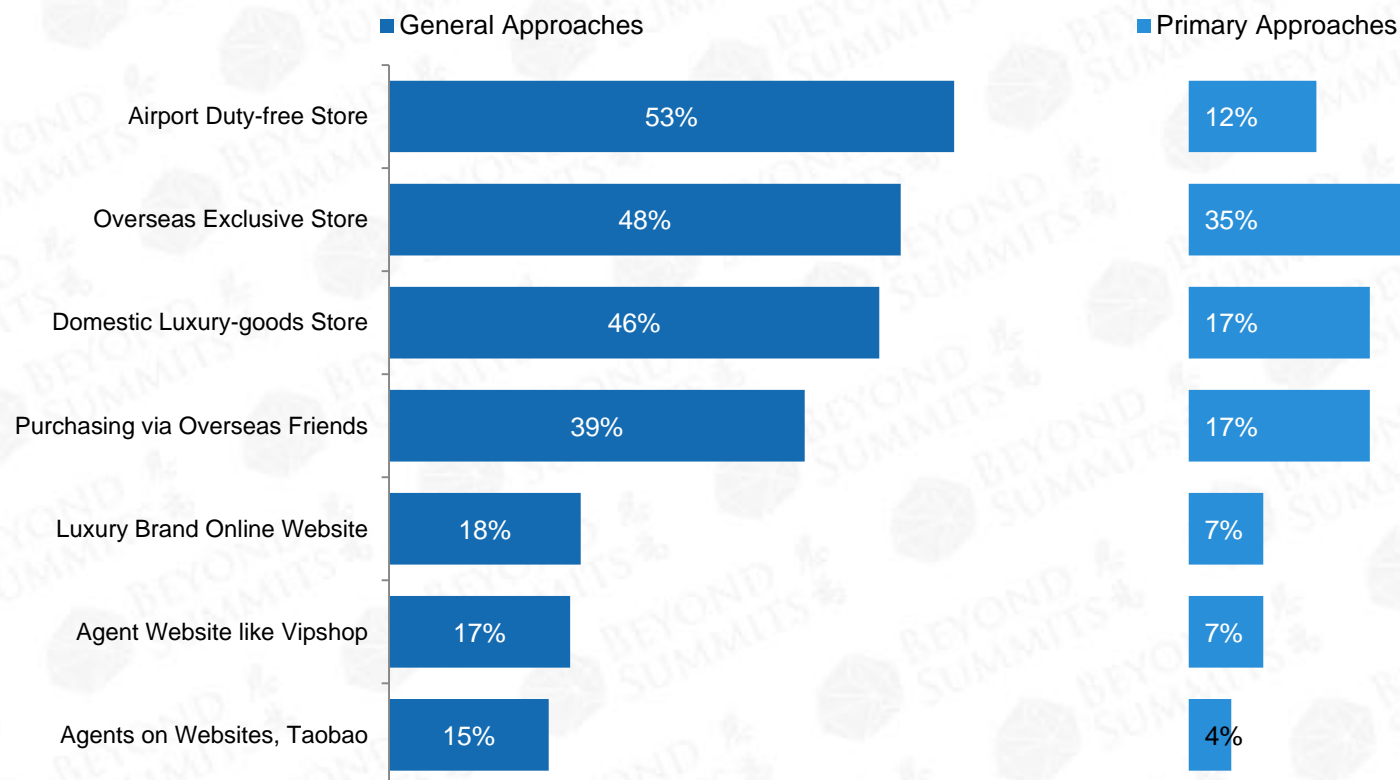
Luxury Goods Categories for Gift-giving Purpose (2014)



Source : FT China, *Luxury-goods Market Report 2015*

Chinese visitors often buy luxury goods in airport duty free shop; however, they prefer to purchase luxury goods in overseas exclusive store by themselves.

Purchasing Approaches of Luxury Goods China (2014)



Source : FT China, *Luxury-goods Market Report 2015*

Expenditures on Different Categories of Luxury Goods Brands

2014	Makeup	Watches	Bags & Luggage	Menswear	Womenswear	Jewellery	Shoes	Accessory
1	Chanel	Cartier	Coach	Armani	Armani	Bvlgari	Chanel	Dunhill
2	Dior	Longines	Gucci	Hugo Boss	Burberry	Cartier	Gucci	Gucci
3	Estee Lauder	Omega	Hermes	Burberry	Chanel	Chow Tai Fook	LV	Hermes
4	Kiehl's	Rolex	LV	Dior	Dior	Tiffany & Co.	Salvatore Ferragamo	LV
5	Lancome	Tissot	Prada	Ermenegildo Zegna	MaxMara	Van Cleef & Arpels	Tod's	Montblanc

Source : Bain & Company, *China Luxury-goods Market 2014*

2015 China Overview, covering Chinese economy, media and markets, is a set of yearly research report conducted and published by Beyond Summits Ltd, a leading all-media total solution provider focused on cross-border brand building & destination marketing in China. This report aims to summarize domestic industries' status in 2015, introduce Chinese market knowledge to overseas stakeholders, and propose Chinese market insights. The whole set of China Overview includes 20 sub-topics including economy, city, people, the rich, luxury, investment, auto, tourism, immigration and cross-border business, as well as Chinese all media, internet, mobile internet, social media, TV, radio, print, OOH, movie and airport.

This report is the full version of 2014-2015 China Overview Luxury Market Report. More reports can be downloaded from Beyond Summits' official website link: http://www.beyondsummits.com/reports_downloading

Contact Beyond Summits

Shanghai Office

Add: RM.701, Jing'An Modern Industrial Park, No. 68 Changping Rd., Shanghai, China
Tel: +86 021 - 6199 2660
Fax: +86 021 - 3100 1328
Email: info@beyondsummits.com

Beijing Office

Add: 1st Floor East Side, Building 8, Andingmen East Binhe Road No. 1, Hangxing Industrial Park, Dongcheng District, Beijing, China
Tel: +86 010 - 5619 2032
Fax: +86 010 - 5166 7658
Email: info@beyondsummits.com

Official WeChat Account : BSL思为跨境营销



Your Global All-media Marketer



长按二维码识别关注



BEYOND 思
SUMMITS 為

Your Global All-media Marketer

Visit our website to learn more: www.beyonddsummits.com

We have collaborating offices in

· SH · BJ · HK · TYO · SEL · SYD · MOS · BER · LON · PAR · ROM · NYC · SF ·