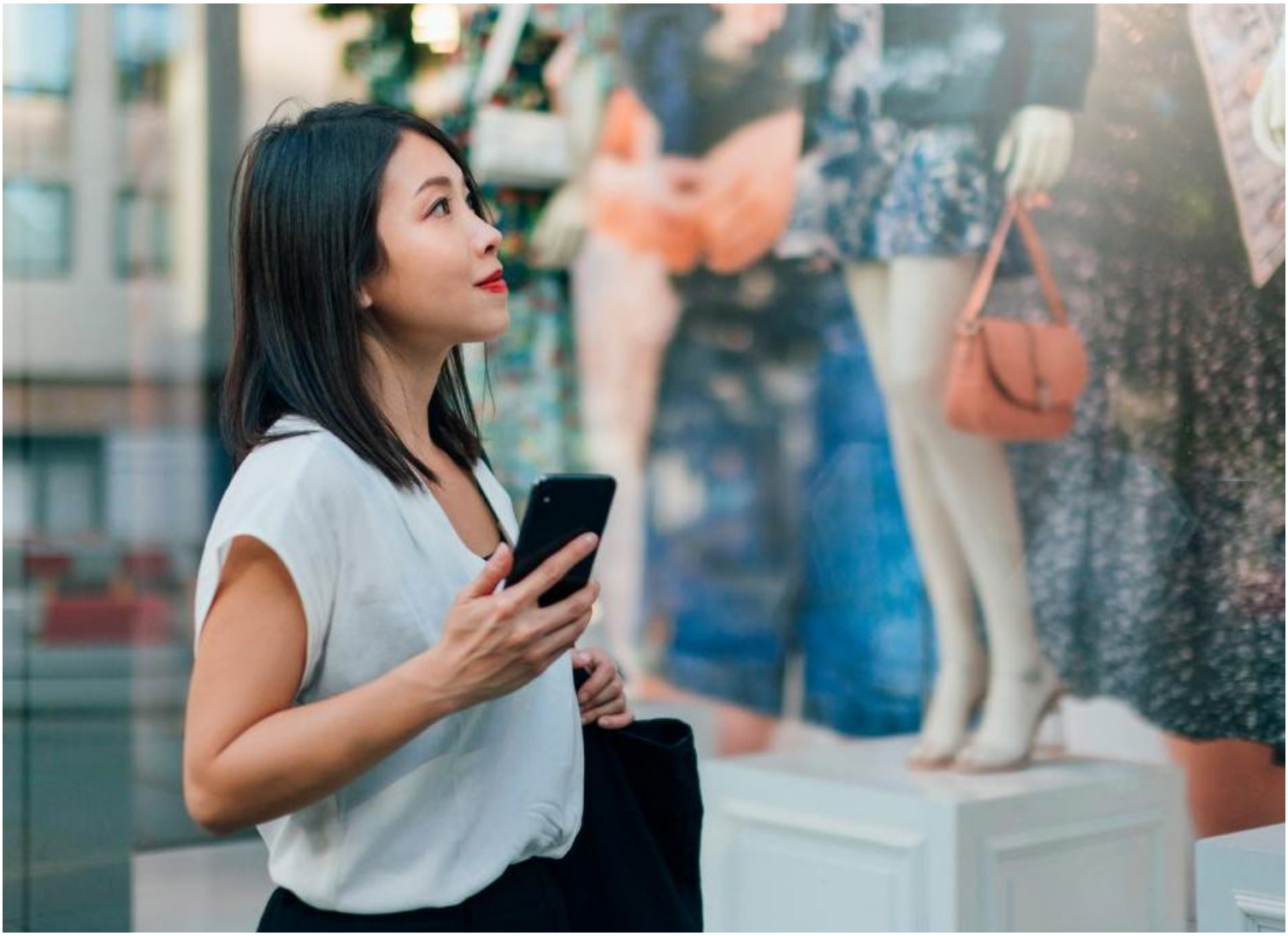


Premium Consumption Upgrade in China: Behavioural Shifts and Value-Added Service Demand Mapping

— An age, gender and city analysis

forvis mazars



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Foreword

Following a series of structured studies on Chinese consumers, Forvis Mazars once again turns its focus to the premium consumption market in China, presenting its latest report: ***Premium Consumption Upgrade in China: Behavioural Shifts and Value-Added Service Demand Mapping - An age, gender and city analysis***.

【Macro environment】 In recent years, China's premium consumption landscape has undergone a period of deep adjustment. On the one hand, the macroeconomic environment and consumer confidence remain in recovery, leading to more rational and cautious decision-making. On the other, long-term aspirations for quality of life, enhanced experiences and emotional value remain intact.

Premium consumption is gradually shifting away from short-term, cycle-driven volatility towards a new phase characterised by structural adjustment and value redefinition. In this context, consumers are no longer focused solely on *what to buy*, but increasingly on the overall experience, service value and long-term relationship with brands.

【Evolving consumer mindset】 Previous research by Forvis Mazars indicates that Chinese consumers have undergone multiple shifts in mindset—from material ownership to emotional fulfilment, and from brand symbolism to self-expression.

As consumers become more mature, the appeal of a single brand halo continues to weaken. Greater emphasis is placed on aesthetic alignment, value resonance and lifestyle fit. The notion of "high-end" is also being redefined—from expensive products to autonomy of time, emotional connection and holistic experiences.

Against this backdrop, experiential consumption continues to gain share, with the "everyday premium" and "everyday ritual" trends evolving in parallel. Emotional value has become an increasingly important factor in decision-making, with self-reward and emotional compensation playing a growing role in consumption patterns.

【Consumer segmentation】 Chinese consumers are not a homogeneous group. Differences in economic and social context across generations, as well as variations in city development, pace of life and digital maturity, have led to clear divergence in value perception and service expectations.

Across generations, Millennials and Generation Z stand out as the core drivers of structural change, characterised by stronger consumption momentum, a greater preference for experiences and a more open approach to brands.Gender differences are also evident, with distinct patterns in consumption drivers, category preferences and service expectations. Across city tiers, from Tier-1 to lower-tier cities, consumption power, service awareness and value expectations follow a clear gradient.

These differences imply that a uniform strategy is no longer effective. Granular segmentation and differentiated approaches have become critical to improving resource efficiency.

【Research scope】 Against this backdrop, the study draws on 4,604 valid responses to systematically analyse recent shifts in premium consumption behaviour, future expectations, and perceptions and demand for value-added services. The research focuses on:

- **Behavioural shifts in premium consumption over the past two years, including frequency, ticket size structure, category and brand shifts, and the evolving share of Chinese brands**
- **Consumer expectations regarding future spending**
- **Consumer expectations for value-added services, including demand dimensions, willingness to pay, communication preferences and their role in purchase decisions**

The analysis is structured across three key dimensions—generation, gender and city tier—to identify differentiated behavioural patterns, value perceptions and service expectations. The aim is to provide actionable insights to support product strategy, service design and resource allocation in the premium segment.

【Purpose of the study】 This study aims to move beyond macro-level observations and uncover the real behaviours and needs of different consumer groups within China's premium consumption landscape. It provides brands, industry participants and stakeholders with a forward-looking perspective grounded in current realities, enabling more precise understanding of consumer shifts and more informed strategic decisions.



Dr. Julie Laulusa
Managing Partner
Forvis Mazars in Mainland China

Five strategic insights

1. The premium market is polarising

A resilient, growth-oriented segment (Gen Z + Millennials) coexists with a larger, value-conscious group pulling back. Economic pressure and 'rational consumption' culture are the twin headwinds. Brands must speak to both groups differently.

2. Premium consumption is being redefined from the inside out

Consumers are no longer seeking to display wealth, but to express themselves, reward themselves and enrich their lives. The narrative is shifting from status to craftsmanship, exclusivity and personal meaning.

3. Chinese brands have crossed a threshold

At 34% wallet share — already ahead of every international category — and growing across all generations and income levels, Chinese brands are not a niche phenomenon. They represent the new competitive baseline.

4. Value-added services are no longer optional — they are a growth engine

With 75% of consumers linking value-added services to purchase decisions and 89% to loyalty, the ability to deliver practical, personalised, and seamlessly integrated services will define brand winners and losers over the next decade.

5. The consumer of 2026–2028 will be more digital, more discerning, and more Chinese in outlook

Brands that invest now in phygital infrastructure, sustainability credentials, hyper-personalised service, and authentic cultural integration will capture the recovery wave.

The era of relying on Western heritage prestige and aspirational positioning alone is over. The next competitive frontier in China's luxury market demands authentic cultural resonance, operationally excellent value-added services, seamless digital-physical integration, and a genuine commitment to sustainability. Brands that act on these imperatives now will be best positioned for the post-recovery surge.



Executive summary

This report draws on survey data collected in Q3 2025 from premium consumers in China. It examines recent shifts in consumption behaviour, future outlook, and evolving expectations for value-added services. The analysis is structured across generation, gender and city tier, to map distinct pathways in the ongoing premium consumption upgrade.

I. Behavioural shifts in premium consumption (past two years)

1. A transition phase, with widening divergence across segments

China's premium consumption market remains in a transitional recovery phase, where stabilisation and adjustment are occurring in parallel. Most consumers report broadly stable or modest changes in spending frequency, with slightly more reducing than increasing expenditure—pointing to a cautious and rational market environment.

Divergence across consumer groups is becoming more pronounced. Generation Z stands out as the only cohort delivering net growth, while both Generation X and Baby Boomers are contracting more visibly. Across city tiers, Tier-1 cities show the strongest resilience, while lower-tier cities are under greater pressure. Male consumption remains relatively steady, whereas female consumers show greater sensitivity to shifts in economic expectations.

2. From ownership to experience: consumption shifts towards lifestyle and quality

Growth in premium consumption is increasingly driven by experience-led and lifestyle-related categories, including travel and hospitality, dining, apparel, beauty and electronics. This reflects a sustained shift towards quality of life and emotional fulfilment. By contrast, high-ticket durable goods, such as jewellery, watches and leather goods, are seeing a decline, suggesting more cautious decision-making around large discretionary purchases.

Men skew towards experiences and technology, while women drive growth in fashion and beauty. Younger generations are the primary drivers of change across apparel, electronics and beauty. Higher-tier cities focus more on experience upgrades, while lower-tier cities tend to enter premium consumption through functional improvements.

3. Changing motivations: from external signalling to intrinsic value

Consumer motivations are undergoing a structural shift—from external validation (such as social display and image management) towards intrinsic drivers, including self-reward, lifestyle enrichment and personal satisfaction. Growth in premium consumption is increasingly supported by self-reward, quality upgrades and evolving everyday needs, with emotional value becoming a more prominent factor in decision-making. The move towards "everyday premium" consumption continues to strengthen.

This trend is particularly visible among younger consumers and those in higher-tier cities, where premium consumption is not only about products, but also serves as a form of self-expression and emotional fulfilment.

At the same time, economic pressure, shifting attitudes and changes in lifestyle are prompting some consumers to scale back spending. As a result, purchasing decisions are increasingly shaped by a balance between emotional appeal and functional value.

4. Price structure anchored in entry-level premium, with high-ticket spending concentrated

Premium purchases remain largely concentrated below RMB 20,000, with sub-RMB 5,000 transactions forming the core of the market. This highlights the continued importance of entry-level premium consumption in supporting overall market scale.

Higher-ticket purchases above RMB 50,000 remain limited, indicating that price sensitivity persists. Higher spending is disproportionately concentrated among Millennials and in Tier-1 cities, reinforcing their role as the core of the premium market.

5. Brand diversification accelerates, with Chinese brands gaining ground

Consumers are becoming more open in their brand choices, with nearly half reporting a broader brand mix than two years ago. The market is shifting from a

Executive summary

concentrated brand landscape to a more diversified and open one, particularly among younger consumers and those in higher-tier cities.

Chinese brands now account for over one-third of premium consumption, with further growth expected. They are particularly strong in apparel, travel, dining and electronics, and are increasingly moving into higher-value and more specialised segments.

II. Outlook for premium consumption

1. Cautious optimism, led by younger consumers and higher-tier cities

Nearly half of consumers expect to increase their premium spending as economic conditions improve. This optimism is most pronounced among younger generations and consumers in higher-tier cities, who are likely to drive the next phase of growth. By contrast, lower-tier cities are expected to recover more gradually, reflecting more constrained consumption confidence.

2. From categories to lifestyles: expanding consumption boundaries

Future spending interest spans both traditional and emerging categories, including jewellery, travel, apparel, dining, electronics and beauty. Experience-led consumption is gaining momentum, signalling a broader shift from focusing on what to buy towards how to live.

Women show stronger intent in product-driven categories, while men lean more towards experiences. Tier-1 cities lead in fashion and jewellery consumption, and lower-tier cities show stronger interest in technology categories.

III. Expectations for value-added services

1. Functional foundation, with rising demand for experience and personalisation

Consumers' expectations for value-added services are anchored in practicality, value for money and efficiency. At the same time, demand for brand-specific and customised services is rising.

Younger consumers increasingly expect a combination of personalisation and brand-led experience, while older consumers and those in lower-tier cities continue to prioritise functionality and cost-effectiveness.

2. A clear progression from product support to experience and relationship building

Expectations for value-added services follow a structured progression across three areas:

- Product: services such as repair, recycling, upgrades and resale are in highest demand, reflecting a focus on durability and long-term value
- Experience: seamless omnichannel integration and efficient purchasing processes are now baseline expectations, with growing interest in immersive environments and digital tools that enhance engagement, reflecting a rising expectation for deeper participation and emotional value throughout the shopping journey.
- Membership: benefits such as birthday privileges, loyalty programmes and priority access play an increasing role in building emotional connection and brand affiliation, signalling a shift from transactional to relationship-led engagement

3. Willingness to pay is segmented, with limited pricing headroom

Around half of consumers are willing to pay for value-added services, particularly among younger cohorts and higher-tier cities. However, price tolerance remains measured, with the mainstream acceptable range at 10%–25% of product value.

Barriers to payment are clear: many consumers believe such services should be included in the product price, while others do not perceive sufficient incremental value. This highlights the need for clearer value articulation and a more targeted approach to service monetisation.

4. Services are becoming central to both purchase decisions and loyalty

Around three-quarters of consumers view value-added services as important in purchase decisions, while nearly 90% recognise their role in strengthening brand loyalty, particularly among younger and middle-aged consumers.

As a result, value-added services are evolving from a supporting feature into a core pillar of differentiation and long-term customer engagement, with this shift now widely recognised across city tiers.

Survey subject structure

This study is based on 4,604 valid survey responses, covering Chinese consumers across different generations, genders and city tiers. The objective is to analyse changes in premium consumption behaviour and evolving demand for value-added services in the context of China's premium consumption upgrade.

Respondents were divided into four generational groups: Baby Boomers (aged 51–79*), Generation X (45–60), Millennials (31–44), and Generation Z (under 30). An online questionnaire was used to compare differences across generations in consumption behaviour, key drivers and perceptions of premium services.

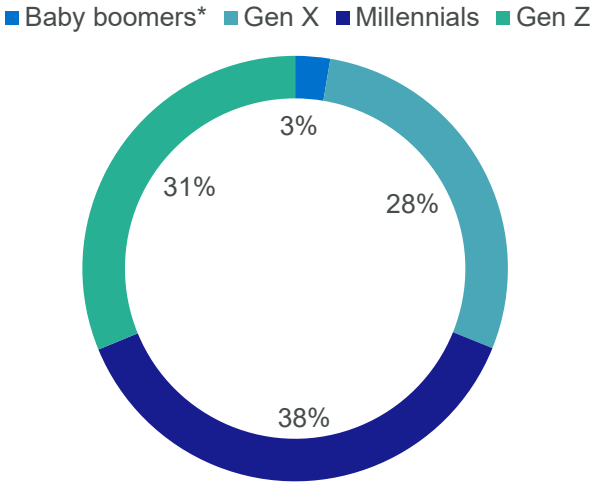
The survey focused on four main areas:

- Changes in current premium consumption behaviour
- Shifts in consumption frequency and category mix
- Attitudes towards different premium categories
- Importance, awareness and expectations of value-added services offered by premium brands

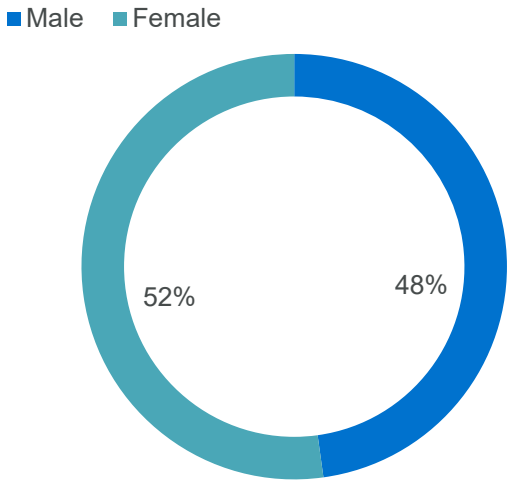
In addition, a structured questionnaire design enabled further analysis of differences across consumer groups in service preferences, perceived value of services, and their impact on purchase decisions and brand loyalty.

Through cross-analysis by generation, gender and city tier, this study aims to identify structural changes in China's premium consumption market under a more rational consumption trend, providing insights for brands to better understand consumer value perceptions and service expectations.

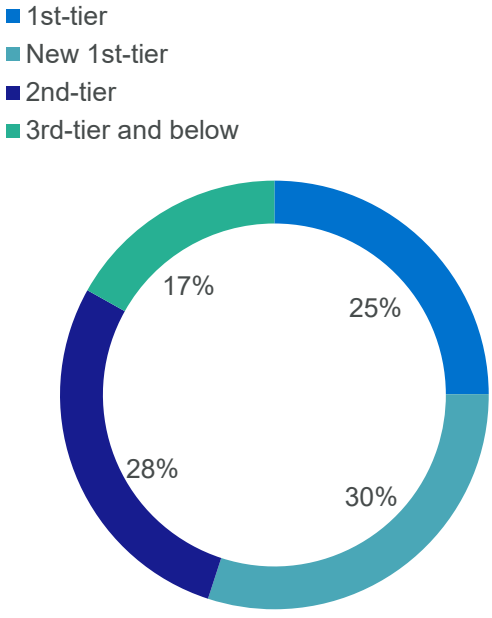
Generation



Gender



City

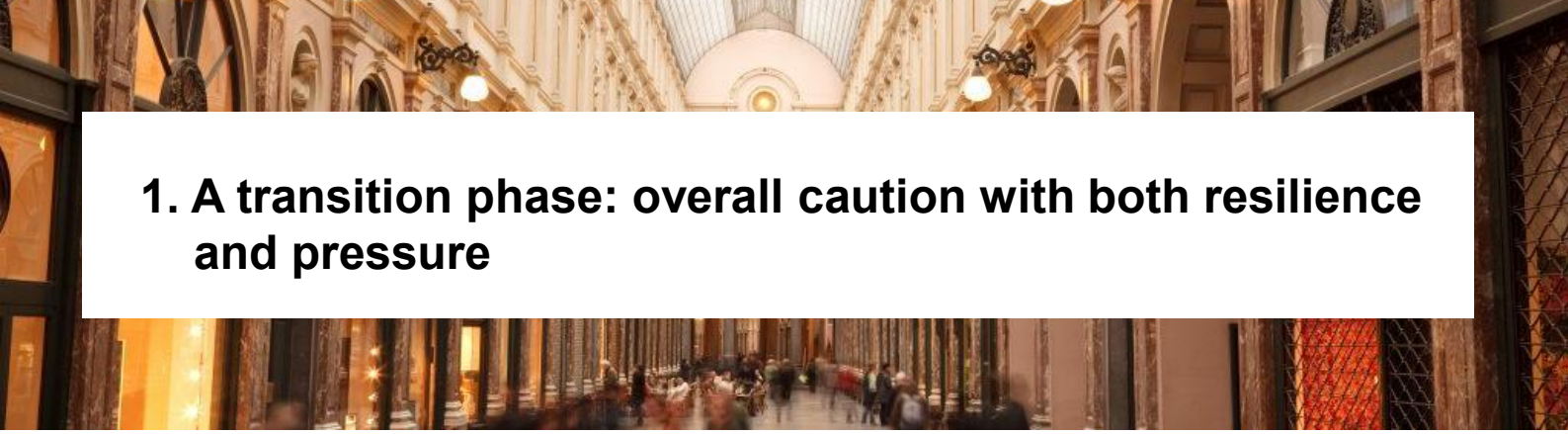


*The sample size for the Baby Boomer is relatively small, and therefore its analytical representativeness is limited. As such, it primarily serves as a supplementary reference for comparison with the other sample groups.



Chapter 1

Changes in premium consumption over the past two years



1. A transition phase: overall caution with both resilience and pressure

The latest survey results show that China's premium consumption market remains in a period of adjustment, with a continued contraction trend and increasingly cautious and rational consumer behaviour.

From the perspective of consumption frequency, around one-third of respondents report stable spending, one-quarter report a slight increase, 23% a slight decrease, 16% a significant decrease, and only 3% a significant increase. The market has moved from sharp post-pandemic fluctuations to a more stable phase characterised by low volatility and gradual structural adjustment. Most changes are moderate, indicating more careful and considered decision-making.

In net terms, 39% of respondents reduced their premium consumption, compared with 28% who increased it, suggesting that overall confidence is still recovering. The share of consumers reporting a significant decrease (16%) is much higher than those reporting a significant increase, pointing to increasing divergence across the market.

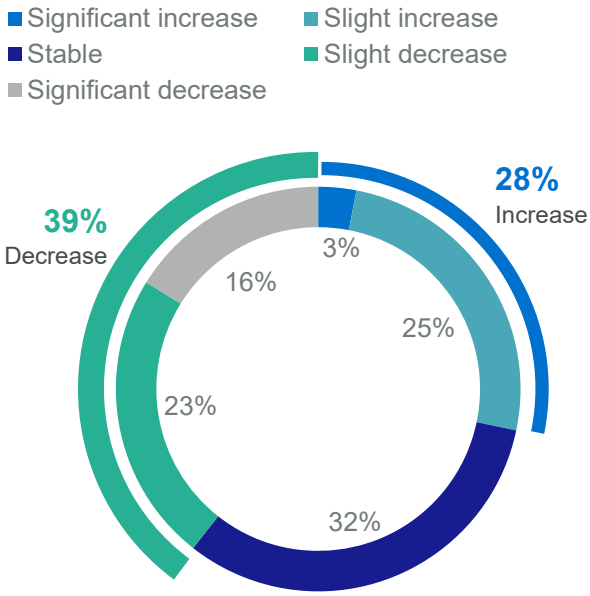
By gender, male consumers show relatively stable behaviour, while female consumers show greater fluctuations, indicating higher sensitivity to economic expectations.

By generation, premium consumption shows a clear negative relationship with age. Generation Z is the most active group, with 35% increasing spending, making it the only group with net growth. Millennials show a slight decline. In contrast, Generation X and Baby Boomers show clear contraction, with net changes below -20%, reflecting stronger risk awareness.

By city tier, resilience increases with city level. Tier-1 cities are the only group with net growth, showing the strongest resilience. New Tier-1 and Tier-2 cities face moderate pressure, while Tier-3 and below cities show the largest decline.

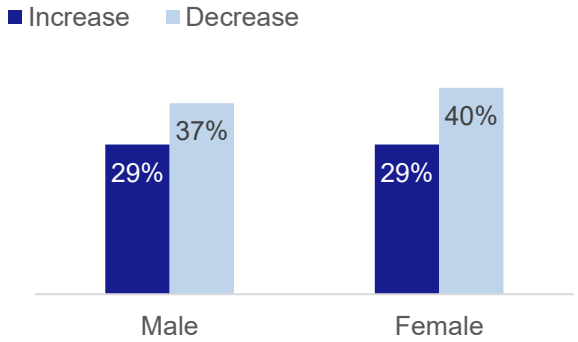
Consumption frequency changes

Percentage of respondents



Consumption frequency changes: gender comparison

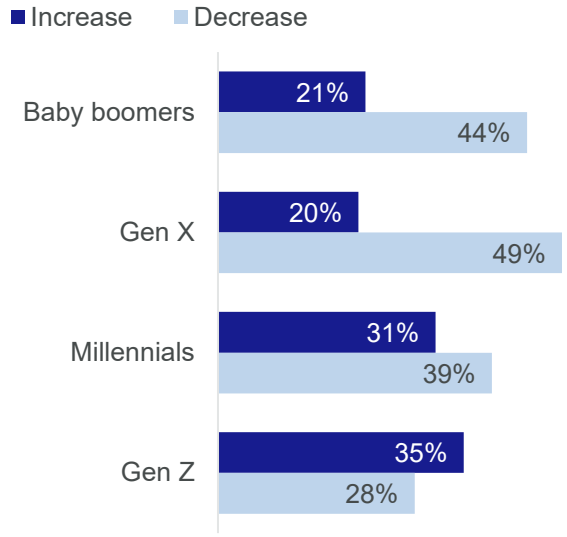
Percentage of respondents



1. A transition phase: overall caution with both resilience and pressure

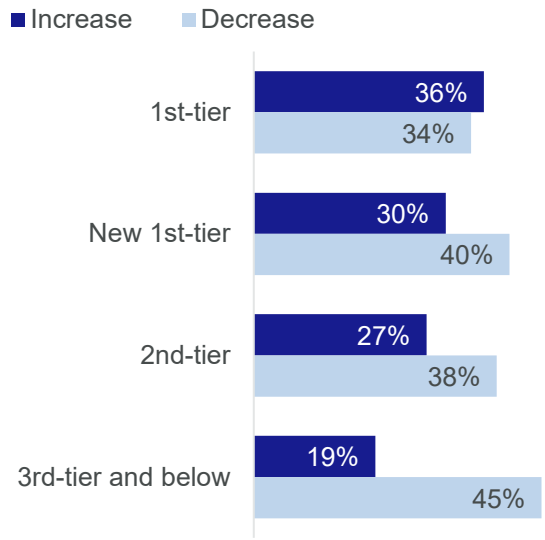
Consumption frequency changes: generation comparison

Percentage of respondents



Consumption frequency changes: city comparison

Percentage of respondents







2. Consumption structure: growth driven by experiences, with contraction in durable goods

Experience-driven growth: from ownership to lifestyle improvement

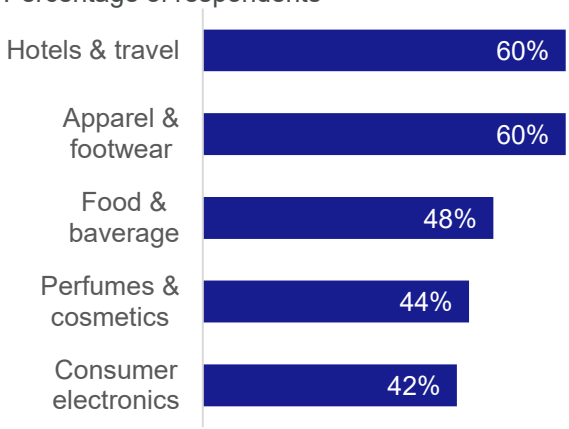
Growth in premium consumption is increasingly concentrated in experience-based and personalised categories. Hotels and travel, apparel and footwear, food and beverages, perfumes and cosmetics, and consumer electronics are the top five growth areas.

Growth in hotels, travel, and food and beverages reflects consumers' increasing focus on experiences and emotional satisfaction. Travel and social activities that were restricted during the pandemic are now recovering. For Chinese consumers, "high-end" is no longer only about owning expensive products; it is increasingly about having more control over time, enjoying deeper experiences, and improving overall lifestyle.

At the same time, premium products in everyday categories such as apparel and cosmetics continue to grow, showing a shift from occasional purchases to regular consumption that improves daily life. This reflects a balance between value for money and emotional value, with premium consumption becoming more closely linked to personal taste, emotional satisfaction and lifestyle, rather than only status.

Top 5 increased premium consumption categories*

Percentage of respondents



** Based on consumers who increased premium consumption in the past two years.*

Differences across groups are clear:

- Men show stronger growth in hotels and travel, food and beverages, and electronics, while women lead growth in apparel and cosmetics.
- By generation, Generation Z drives growth in apparel and electronics, Millennials prefer perfumes and cosmetics, while Baby Boomers and Generation X focus more on food and beverages.
- By region, Tier-2 cities lead growth in hotels and travel; new Tier-1 and Tier-2 cities drive food and beverage growth; while Tier-3 and below cities show strong demand for premium electronics.

Category	Group	% of respondents
Hotels & travel	Male	65%
	2nd-tier	64%
Apparel & footwear	Female	66%
	Gen Z	63%
Food & beverages	Male	55%
	Baby boomers	54%
	Gen X	53%
	New 1st-tier	51%
	2nd-tier	50%
Perfumes & cosmetics	Female	59%
	Millennials	47%
Consumer electronics	Male	50%
	Gen Z	51%
	3rd-tier and below	52%

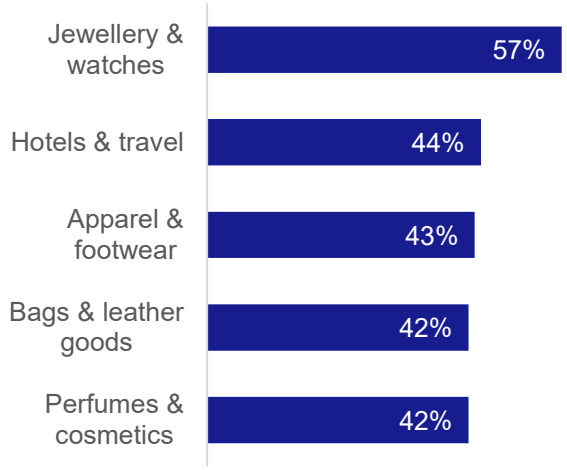
2. Consumption structure: growth driven by experiences, with contraction in durable goods

Return to rational consumption: decline in high-value and discretionary categories

The largest declines are seen in jewellery and watches, hotels and travel, apparel and footwear, bags and leather goods, and perfumes and cosmetics. This suggests that consumers are becoming more cautious, especially in higher-value or frequent purchases, and are more likely to reduce spending in categories that are expensive or easier to substitute.

Top 5 decreased premium consumption categories*

Percentage of respondents

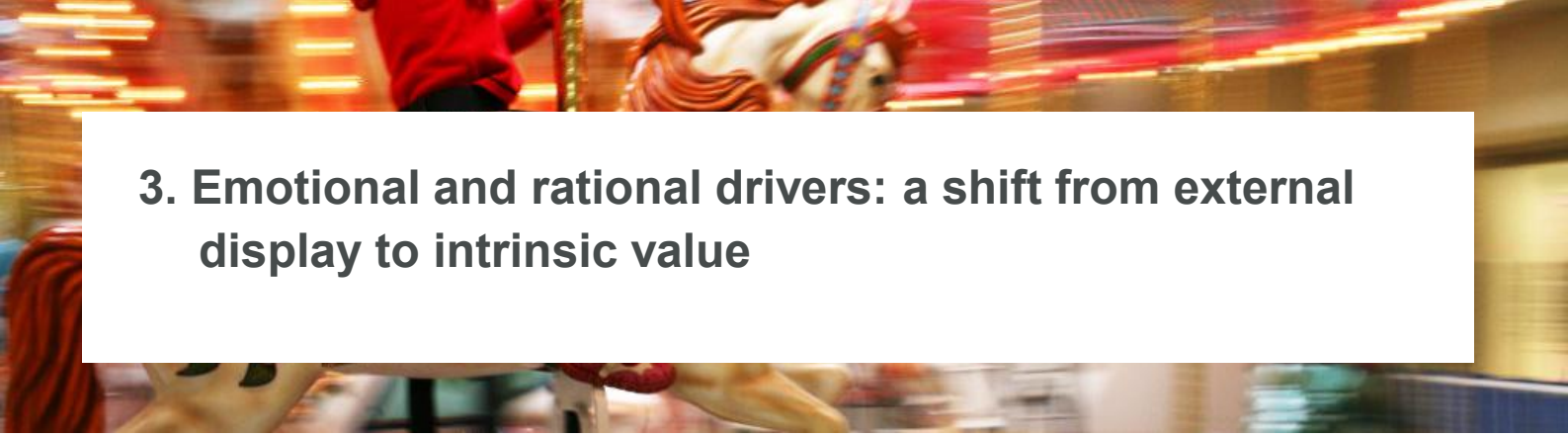


** Based on consumers who decreased premium consumption in the past two years.*

Differences across groups are also evident:

- Men mainly reduce spending on hotels and travel, while women reduce spending on apparel, bags and cosmetics.
- By generation, Generation X and Millennials drive declines in jewellery, watches and leather goods; Baby Boomers reduce travel spending; while both Millennials and Generation Z reduce spending on cosmetics, with Generation Z also cutting back on apparel.
- By city tier, Tier-1 cities show the largest decline in jewellery, watches and leather goods, while new Tier-1 cities also reduce travel spending. This supports the shift from status-driven consumption to a more balanced focus on experience and rational choice.

Category	Group	% of respondents
Jewellery & watches	Gen X	61%
	Millennials	61%
	1st-tier	61%
Hotels & travel	Male	49%
	Baby boomers	51%
	New 1st-tier	46%
Apparel & footwear	Female	46%
	Gen Z	46%
Bags & leather goods	Female	48%
	Gen X	44%
	Millennials	45%
	New 1st-tier	47%
Perfumes & cosmetics	Female	45%
	Millennials	39%
	Gen Z	39%



3. Emotional and rational drivers: a shift from external display to intrinsic value

The survey shows that China's premium consumption recovery reflects both stronger emotional needs and a return to rational decision-making. This is driven by changing personal values as well as economic pressure and shifting expectations.

From external display to internal motivation: balancing emotion and value

The main drivers of increased consumption include self-reward, pursuit of better quality of life, and everyday needs. Emotional value is becoming more important, and premium consumption is becoming part of daily life.

Consumers are shifting from seeking external recognition (such as social display and image) to internal motivation (such as personal satisfaction and enjoyment). Increasingly, consumption is about personal value, with emotional connection and meaning replacing pure status.

Differences across groups include:

- Women are more driven by emotional factors, while men focus more on practical needs.
- Generation Z uses premium consumption for emotional satisfaction, Millennials focus on quality and social aspects, while Baby Boomers return to more functional consumption.
- By city tier, Tier-1 consumers are more willing to pay for emotional value; new Tier-1 and lower-tier cities focus on improving quality of life; while Tier-2 and below cities emphasise practical needs.

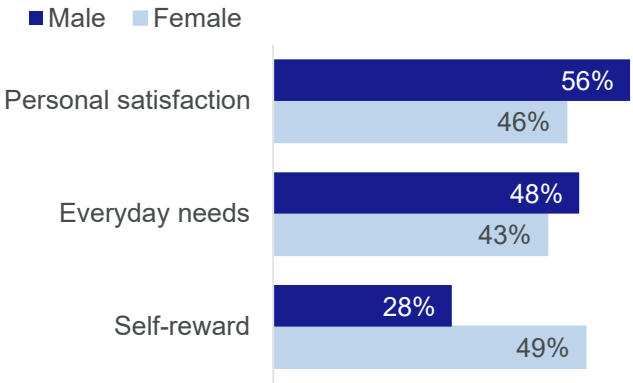
Top 5 reasons of increased consumption

Percentage of respondents



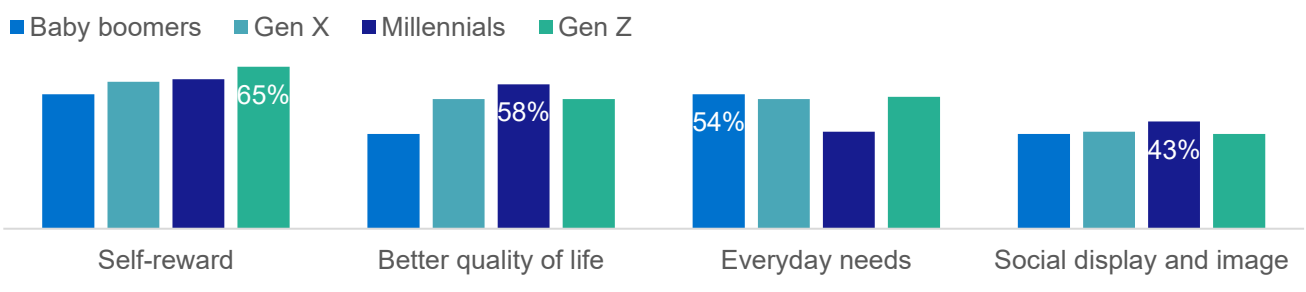
Reasons of increased consumption: gender comparison

Percentage of respondents



Reasons of increased consumption: generation comparison

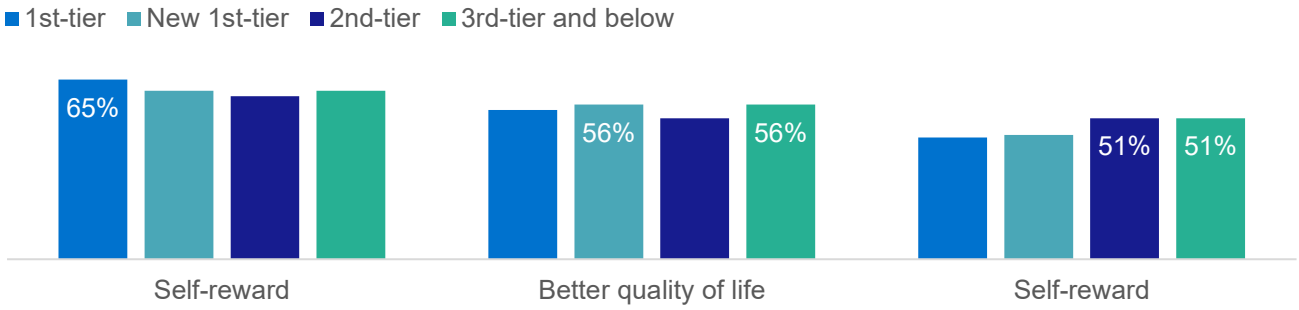
Percentage of respondents



3. Emotional and rational drivers: a shift from external display to intrinsic value

Reasons of increased consumption: city comparison

Percentage of respondents



Economic pressure drives adjustment: consumption decline linked to value reassessment and lifestyle change

Reductions in consumption are mainly driven by economic pressure, which affects all groups. This is followed by a general shift towards more cautious and rational spending, as well as changes in lifestyle and lower confidence.

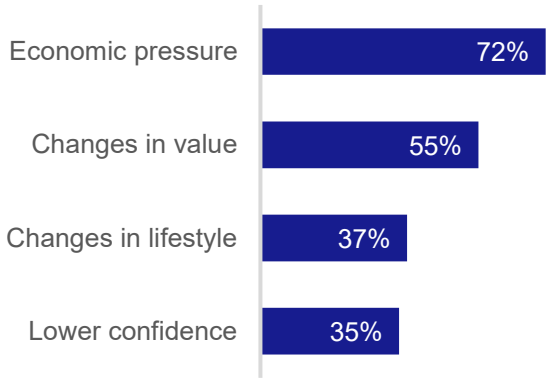
Differences across groups include:

- Men are more directly affected by economic pressure, while women are more likely to adjust their values and lifestyle.
- Generation Z and Millennials are more sensitiveto economic expectations, while Baby Boomers reduce spending due to lifestyle changes.
- Economic pressure is more visible in Tier-2 and lower-tier cities, while in new Tier-1 cities, reductions are more driven by rational choices.

Overall, the market shows a mix of rising emotional value and a return to practical value. Consumers want to reward themselves but also remain cautious. This is reshaping how premium consumption works.

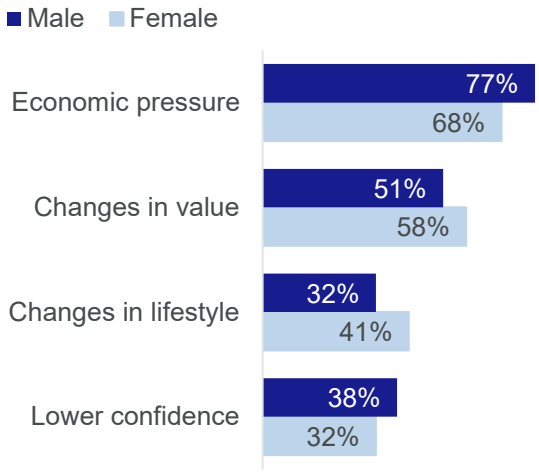
Top 5 reasons of decreased consumption

Percentage of respondents



Reasons of decreased consumption: gender comparison

Percentage of respondents

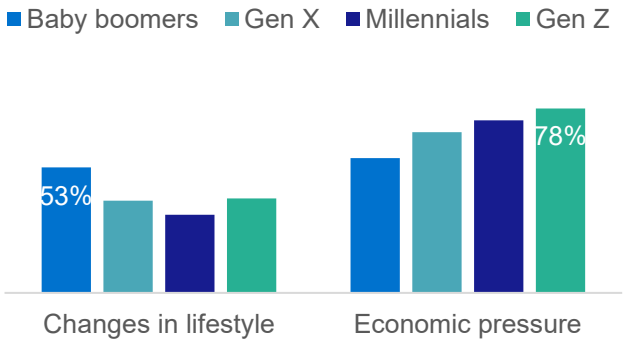


3. Emotional and rational drivers: a shift from external display to intrinsic value

In this context, brands that can clearly show their value—through product quality, emotional connection or cultural relevance—are more likely to build strong loyalty. As consumers move from “why buy” to “why continue to buy”, the relationship between brands and consumers becomes deeper and more long-term.

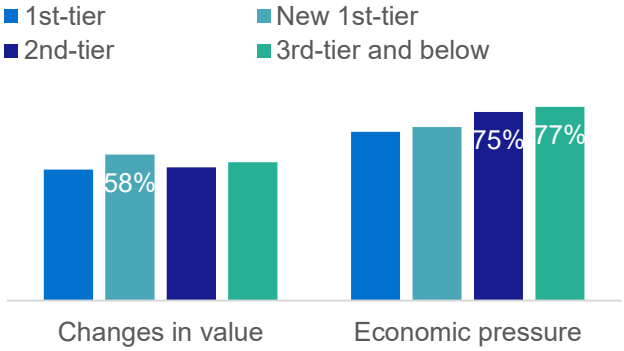
Reasons of decreased consumption: generation comparison

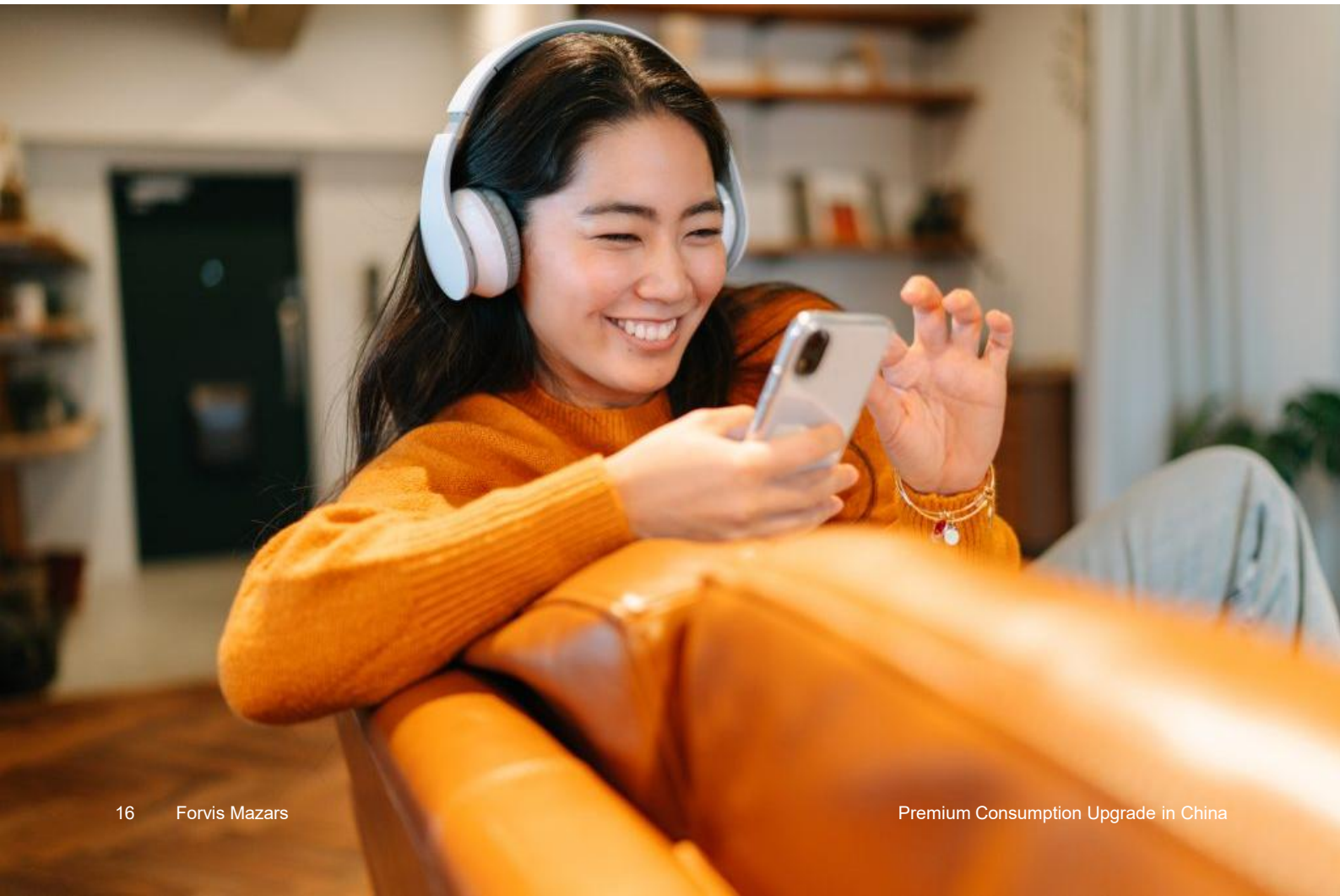
Percentage of respondents

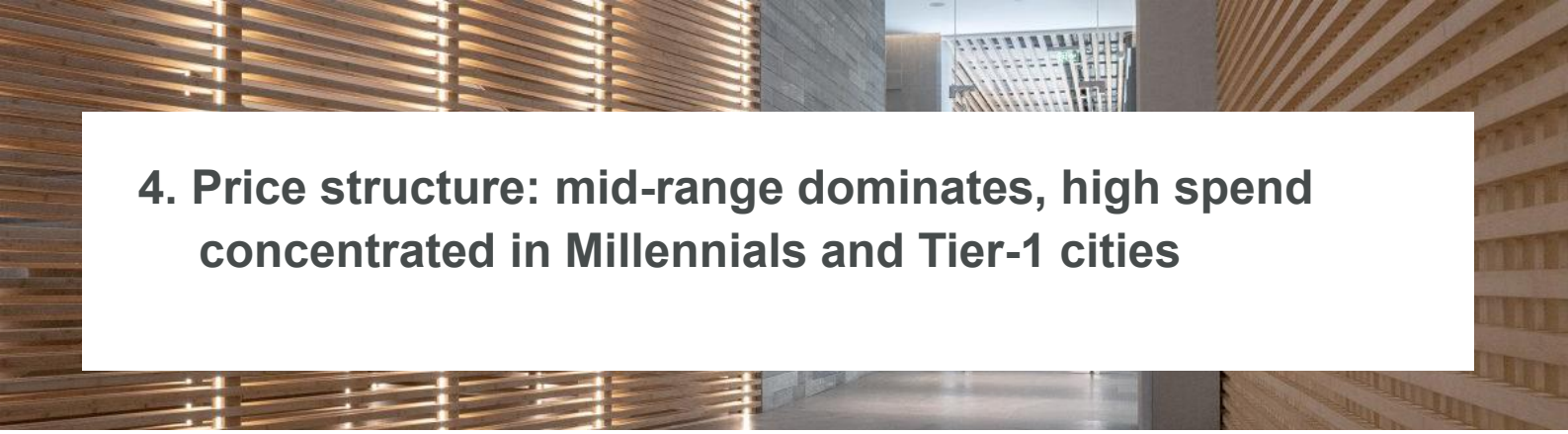


Reasons of decreased consumption: city comparison

Percentage of respondents





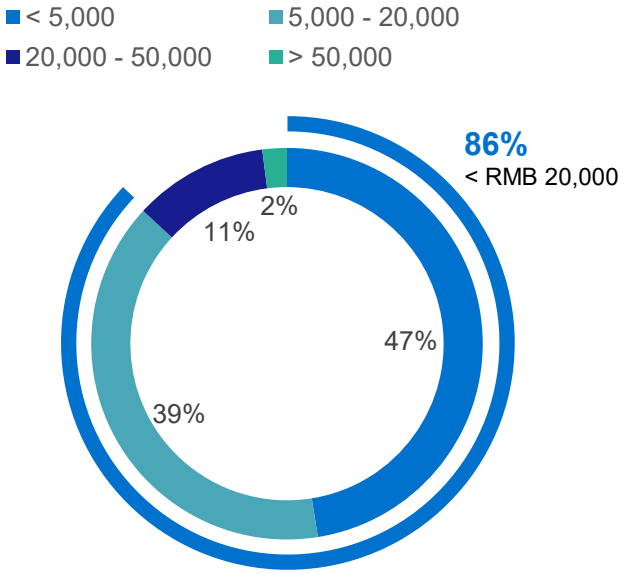


4. Price structure: mid-range dominates, high spend concentrated in Millennials and Tier-1 cities

The survey shows that over the past two years, China's premium consumption price structure has been characterised by a broad mid-range base, with high-ticket spending concentrated in specific segments. Overall, 86% of consumers spend below RMB 20,000 per transaction, with the sub-RMB 5,000 segment accounting for the largest share. This segment forms the core of the market, indicating that entry-level premium continues to underpin overall demand. The RMB 5,000 to RMB 20,000 range follows as the key band for core product lines. Transactions above RMB 50,000 account for only 2%, suggesting that most consumers remain cautious in high-value purchases.

Premium consumption price structure (RMB)

Percentage of respondents



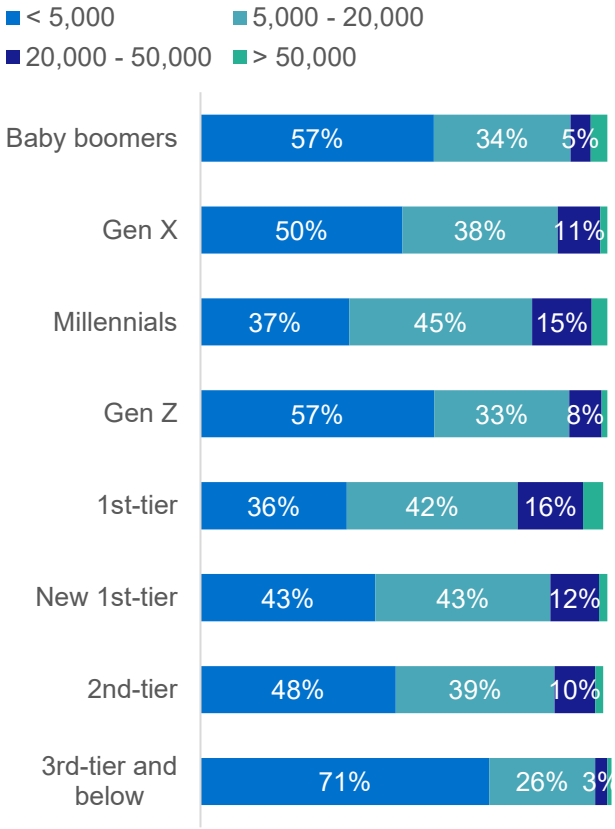
By generation, higher spending is clearly concentrated among Millennials. Within this group, 63% spend above RMB 5,000 per transaction and 19% above RMB 20,000, both well above the overall average. This highlights their central role in driving demand in core premium categories and higher price segments.

Differences across city tiers are also clear. Tier-1 city consumers show significantly stronger purchasing power, with only 36% of transactions below RMB 5,000, and a higher share in the RMB 20,000–50,000 and above RMB 50,000 ranges than other cities. These cities are the main source of high-ticket consumption. In contrast, over 70% of spending in Tier-3 and below cities is below RMB 5,000, with only 3% exceeding RMB 20,000, showing a clear gap in purchasing power.

Overall, the ability to absorb higher price points is increasingly concentrated in specific generations and city tiers, leading to a more segmented market structure.

Premium consumption price structure (RMB): generation & city comparison

Percentage of respondents

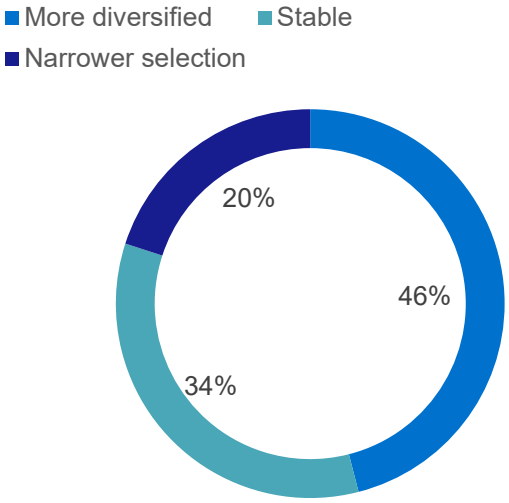


5. Brand diversification: driven by younger consumers and higher-tier cities

China's premium consumption market is showing a clear shift towards more diversified brand choices. Nearly half of respondents report a broader brand portfolio compared with two years ago, while only around 20% report a narrower selection. This suggests growing openness to new brands and value propositions, with the market moving away from a small number of dominant brands towards a more open landscape.

Shifts in brand choices

Percentage of respondents

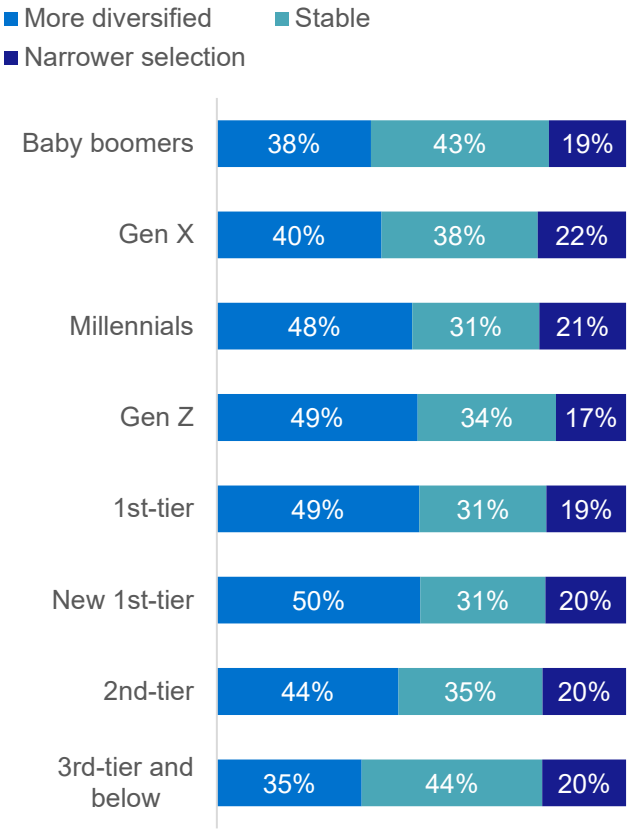


By generation, younger consumers are the main drivers of this trend. Among Millennials and Generation Z, nearly half actively expand their brand choices, reflecting stronger willingness to explore. In contrast, Baby Boomers show more stable preferences, with around 40% maintaining the same brands, indicating stronger loyalty and established habits.

By city tier, higher-tier city consumers are more active in brand exploration, with nearly half expanding their brand portfolios. This reflects stronger demand for differentiation and personal expression. In Tier-3 and below cities, brand choices remain more stable, with around 40% unchanged and overall movement more limited.

Shifts in brand choices: generation & city comparison

Percentage of respondents



Among consumers with a narrower brand set, the decline is most visible in international accessible luxury brands, followed by global high-end brands. The reduction in international brand consumption is more pronounced among women. Generation X and Tier-1 consumers show a stronger decline in global high-end brands, while Baby Boomers and new Tier-1 consumers reduce spending more on accessible premium brands. At the same time, men and Generation Z show relatively larger reductions in Chinese brand consumption.

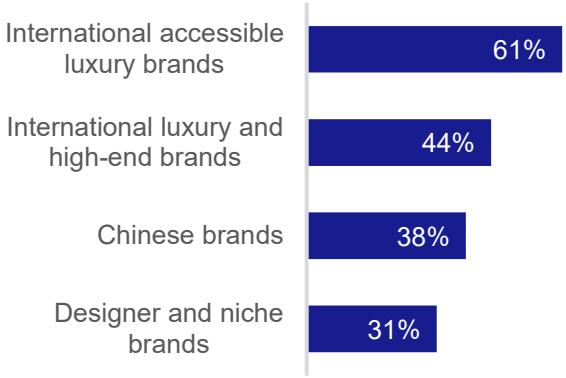
In terms of new brand adoption, Chinese brands and international accessible luxury brands are the main beneficiaries. Tier-1 cities and Millennials drive

5. Brand diversification: driven by younger consumers and higher-tier cities

growth in both accessible luxury and global high-end brands. Male consumers and Baby Boomers show stronger preference for Chinese brands, while female consumers show increasing interest in designer and niche brands, with greater focus on aesthetics and personal expression. Looking ahead, competition is shifting from being selected to remaining relevant over time, with brand switching becoming more dynamic and diverse.

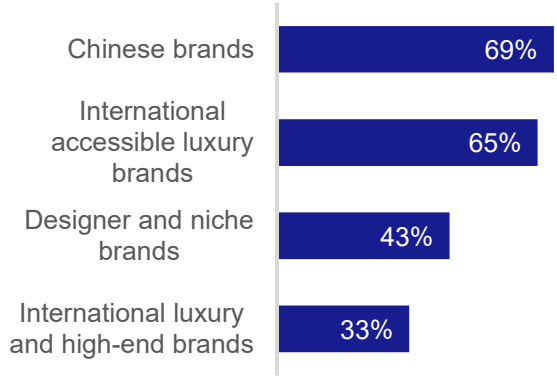
Narrowed brand categories

Percentage of respondents



Main beneficiaries

Percentage of respondents



Narrowed brand categories: group comparison

Percentage of respondents

Category	Group	% of respondents
International luxury and high-end brands	Female	46%
	Gen X	50%
	1st-tier	47%
International accessible luxury brands	Female	63%
	Baby boomers	78%
	New 1st-tier	63%
Chinese brands	Male	44%
	Gen Z	42%

Main beneficiaries: group comparison

Percentage of respondents

Category	Group	% of respondents
International luxury and high-end brands	Millennials	40%
	1st-tier	46%
International accessible luxury brands	Millennials	70%
	1st-tier	73%
Chinese brands	Male	72%
	Baby boomers	80%
Designer and niche brands	Female	52%



6. Chinese brands: strengthening position with clear growth potential

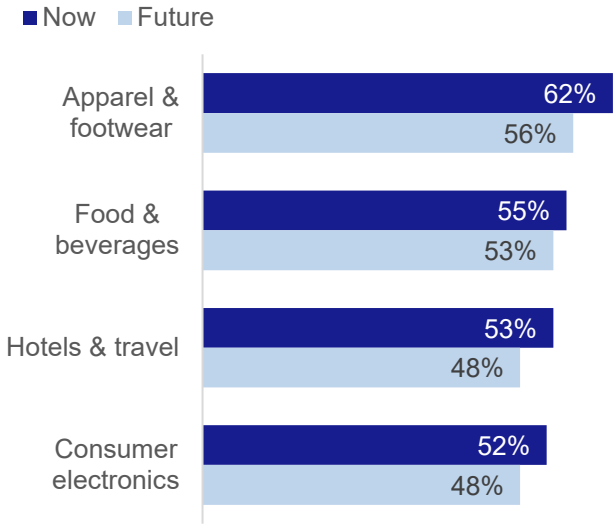
Chinese brands continue to strengthen their position in the premium market. Their current share stands at 34% and is expected to rise to 38%, indicating solid growth potential. In contrast, the share of global high-end and accessible luxury brands is expected to decline slightly, reflecting increasing consumer recognition of Chinese brands.

By category, Chinese brand consumption is currently concentrated in apparel and footwear, food and beverages, hotels and travel, and consumer electronics, forming the core of the market. This structure is expected to remain broadly stable, although the share of leading categories may ease slightly. At the same time, lower-penetration categories—including bags and leather goods, jewellery and watches, home products, outdoor sports, and automotive and yacht segments—are expected to grow faster.

This indicates that Chinese brands are expanding into higher-value and more specialised segments.

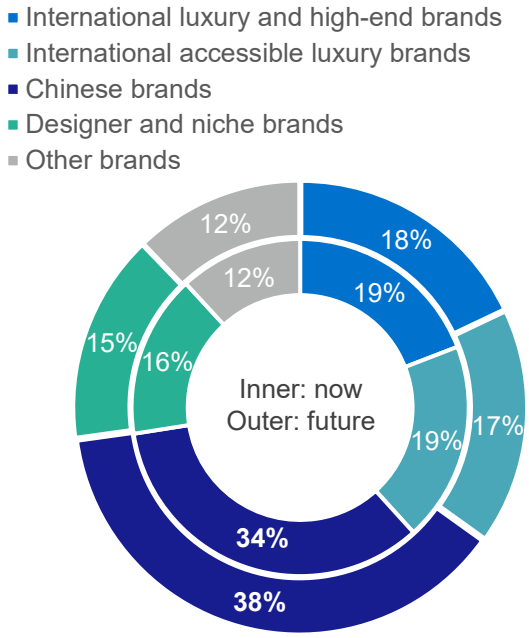
Categories of Chinese brands expected to decline

Percentage of respondents



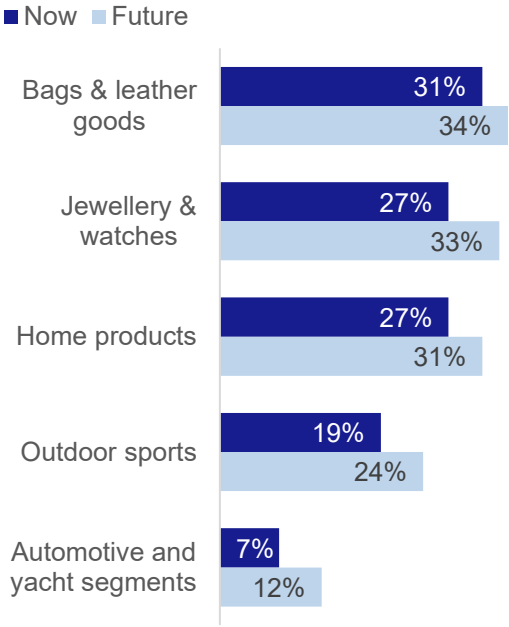
Brands structure - now & future

Percentage of respondents



Categories of Chinese brands expected to increase

Percentage of respondents



Chapter 2

Consumer outlook

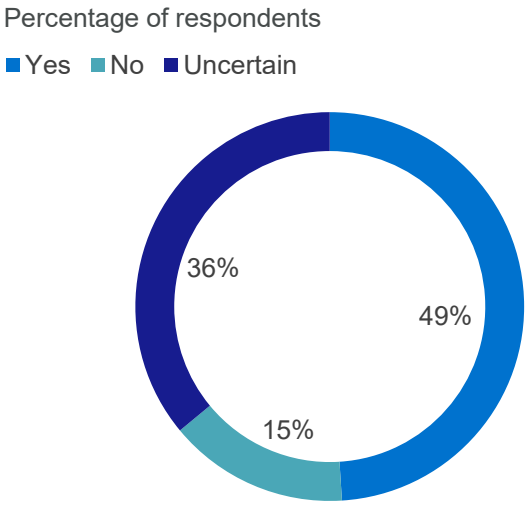


1. Recovery outlook: rising willingness, uneven pace across segments

Overall, China's premium consumption market shows a cautiously optimistic outlook under economic recovery expectations, with consumer confidence gradually improving. Nearly half of respondents plan to increase premium spending once the economy recovers, forming the dominant view. Meanwhile, 36% remain uncertain, indicating a more cautious and rational approach. Only 15% do not plan to increase spending, suggesting that downside pressure remains manageable and the market retains resilience.

Intention to increase premium spending once the economy recovers

Percentage of respondents



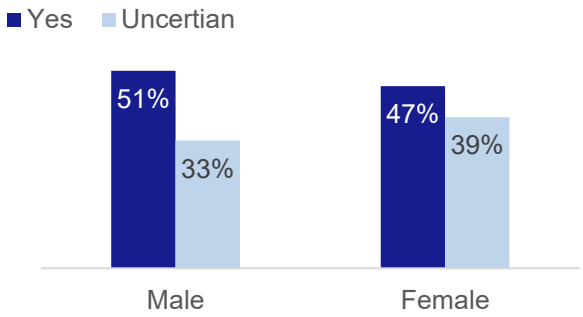
By gender, men show slightly stronger willingness to increase spending, while a higher share of women remain uncertain, reflecting differences in risk appetite and confidence recovery.

By generation, Millennials and Generation Z show stronger expectations for future growth than Baby Boomers and Generation X, positioning younger cohorts as the main drivers of recovery.

By city tier, willingness to increase spending rises with city level. Tier-1 cities show the strongest recovery outlook, reinforcing their leading role. At the same time, the gap between Tier-1, new Tier-1 and Tier-2 cities is narrowing, indicating a shift from a concentrated to a more distributed demand structure. In contrast, Tier-3 and below cities show weaker recovery intent, reflecting the impact of economic conditions and indicating further room for market development.

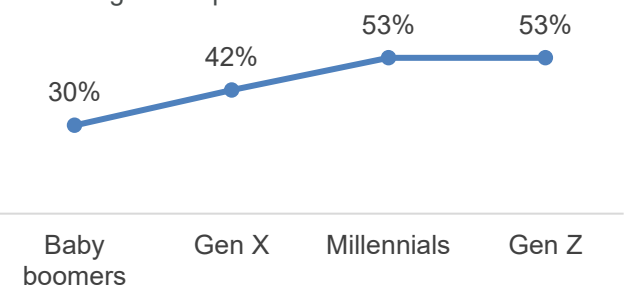
Intention to increase premium spending once the economy recovers: gender comparison

Percentage of respondents



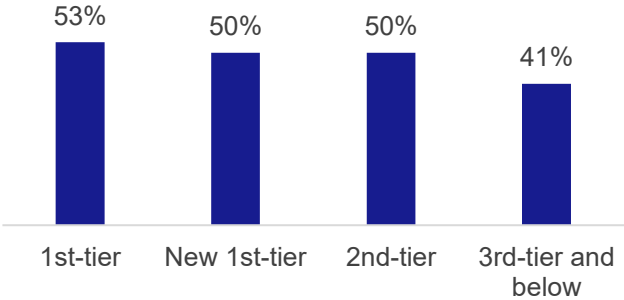
Increase premium spending: generation comparison

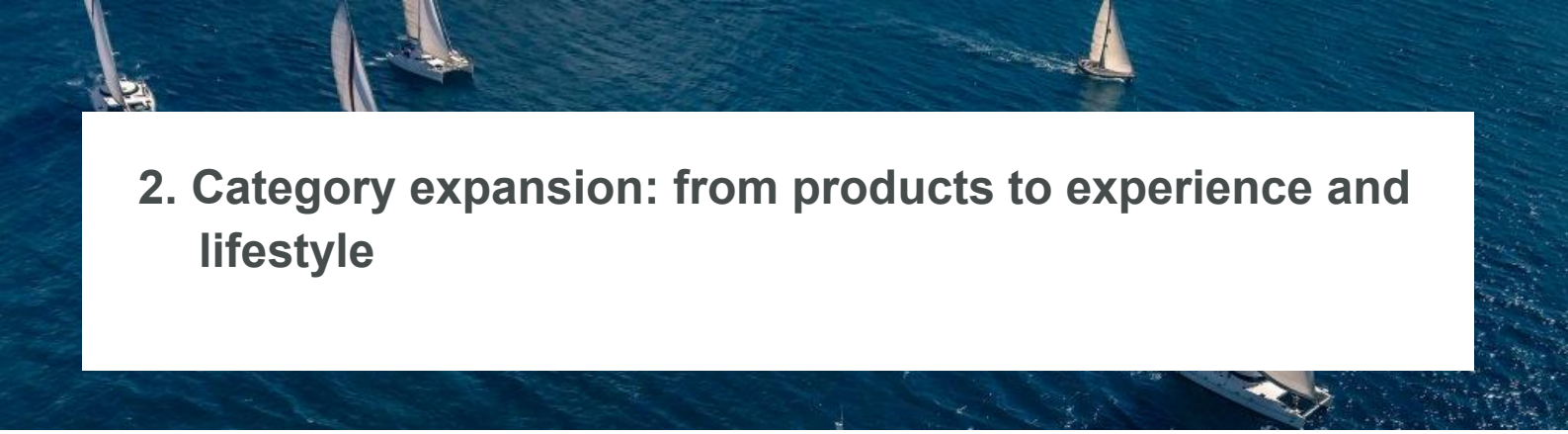
Percentage of respondents



Increase premium spending: city comparison

Percentage of respondents





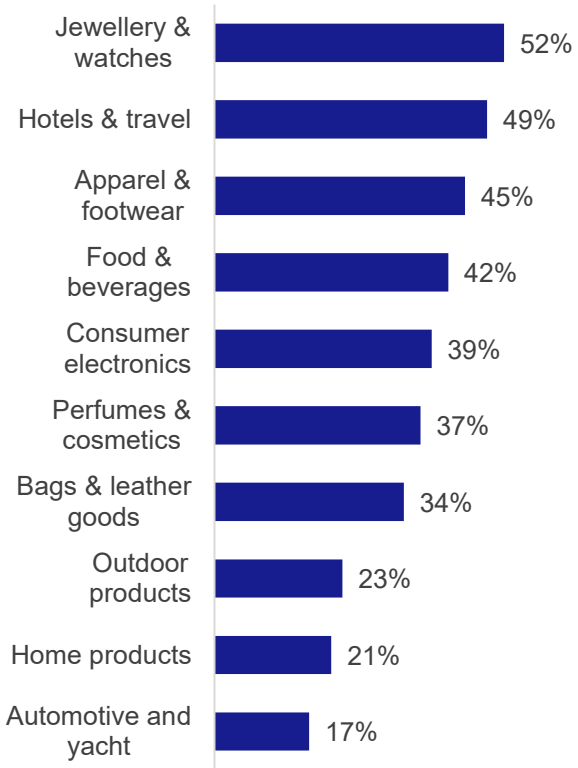
2. Category expansion: from products to experience and lifestyle

Among consumers planning to increase spending, key categories include jewellery and watches, hotels and travel, apparel and footwear, food and beverages, consumer electronics, and perfumes and cosmetics. While traditional product categories remain important, interest in experience-led and lifestyle-related categories is rising. This reflects a shift from material consumption to experience and quality of life, with premium consumption expanding from “what to buy” to “how to live”.

Experience-led categories such as travel, dining and outdoor activities are frequently mentioned, indicating a shift from ownership to experience. At the same time, interest is increasing in categories linked to daily life, including consumer electronics, home products, and automotive and yacht segments. Premium consumption is moving from occasional purchases to more continuous lifestyle investment.

Planned increases in spending by category

Percentage of respondents



Gender differences remain clear. Women lead in product-based categories, particularly jewellery, apparel and cosmetics, with a focus on self-expression and aesthetics. Men show stronger preference for experience-led consumption, particularly in travel and dining, as well as strong interest in electronics, reflecting a focus on functionality and efficiency.

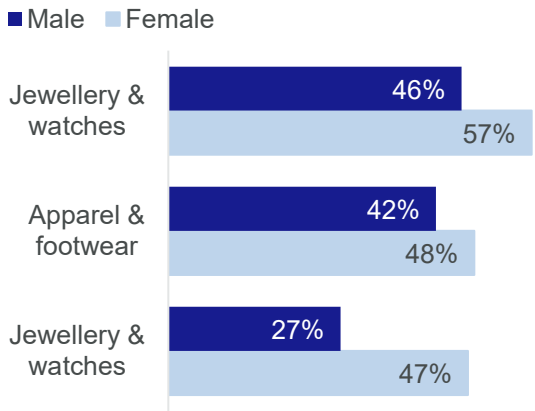
Across generations, preferences are distinct but stable. Baby Boomers focus on travel and dining experiences; Generation X shows stronger interest in electronics while maintaining engagement in apparel; Millennials are the core growth group for jewellery and watches; and Generation Z leads in cosmetics, using premium consumption for personal expression.

City tier further shapes these patterns. Tier-1 consumers show stronger demand for jewellery and apparel, while Tier-3 and below consumers show greater interest in technology-related categories such as electronics. This suggests that in lower-tier cities, premium consumption is often driven by functional upgrades.

Overall, as the market recovers, premium consumption demand is becoming more segmented and continues to expand across lifestyles, usage scenarios and consumer groups.

Planned increases in spending by category: gender comparison

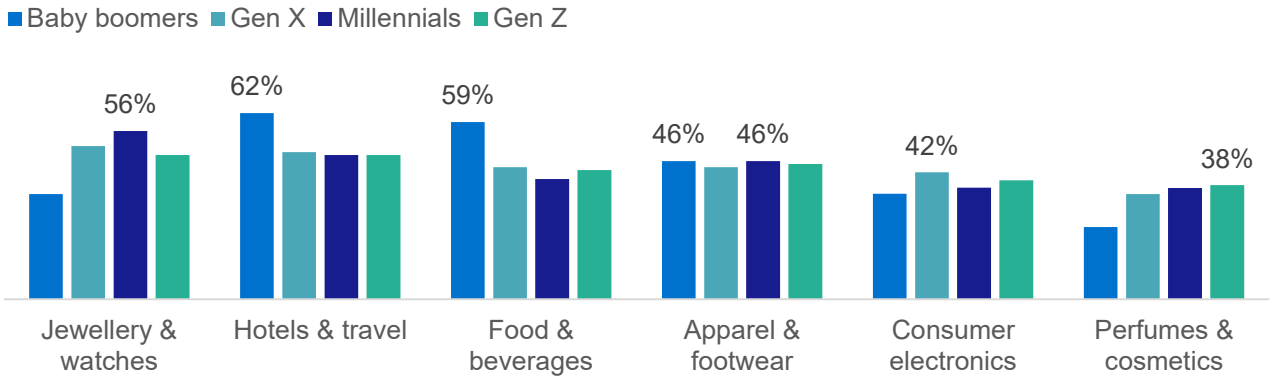
Percentage of respondents



2. Category expansion: from products to experience and lifestyle

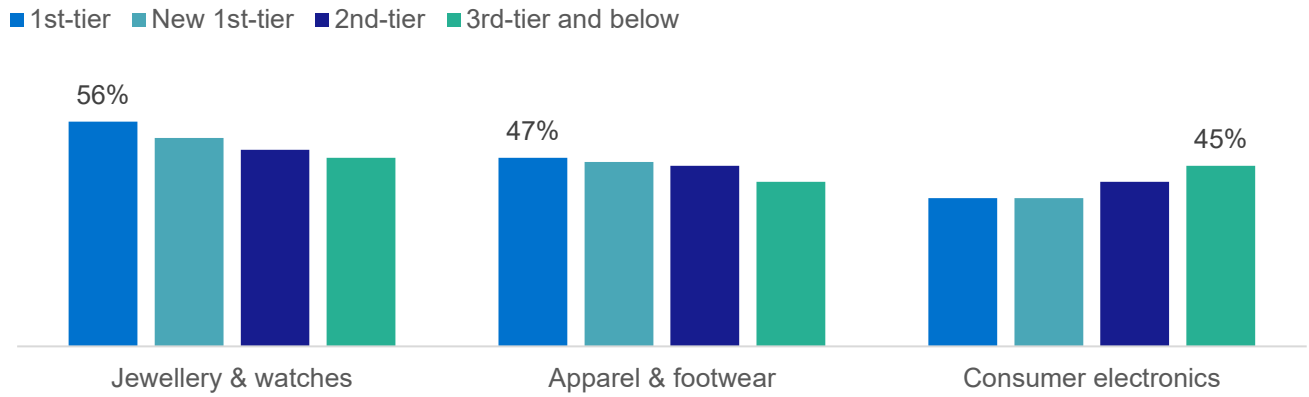
Planned increases in spending by category: generation comparison

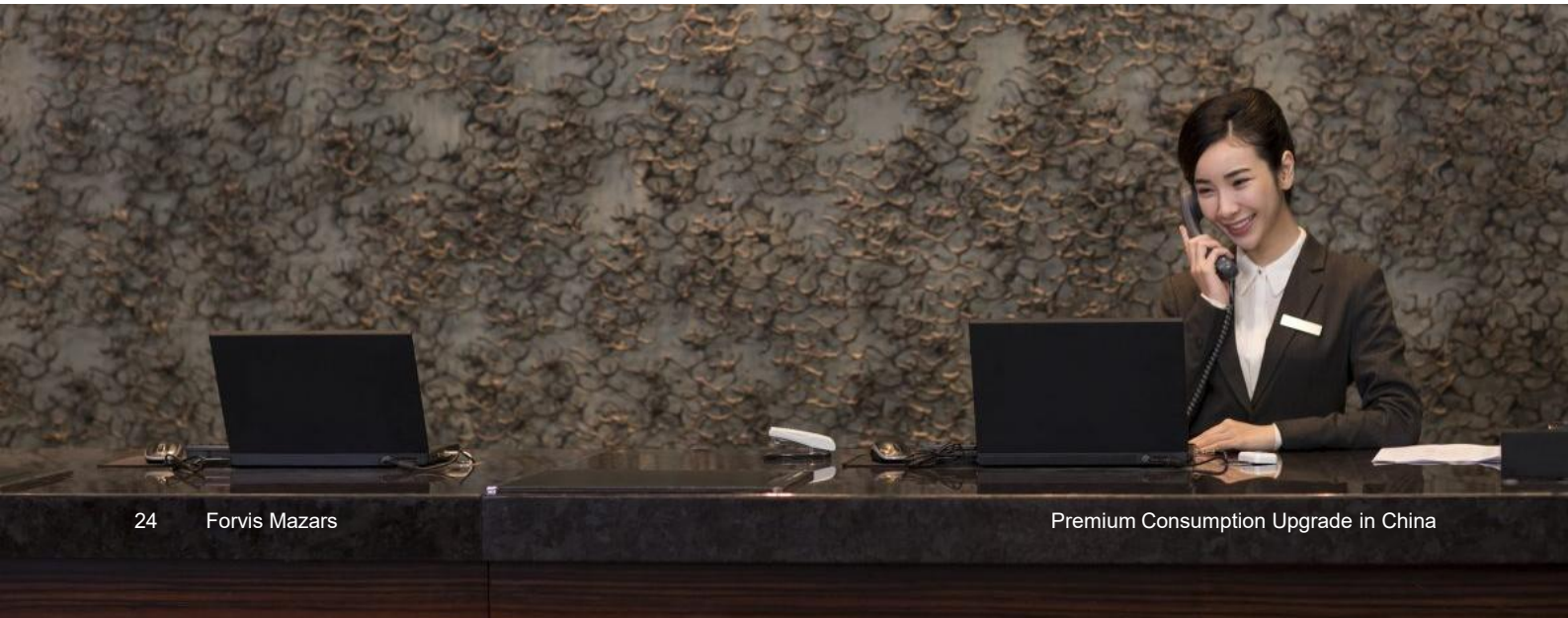
Percentage of respondents



Planned increases in spending by category: city comparison

Percentage of respondents

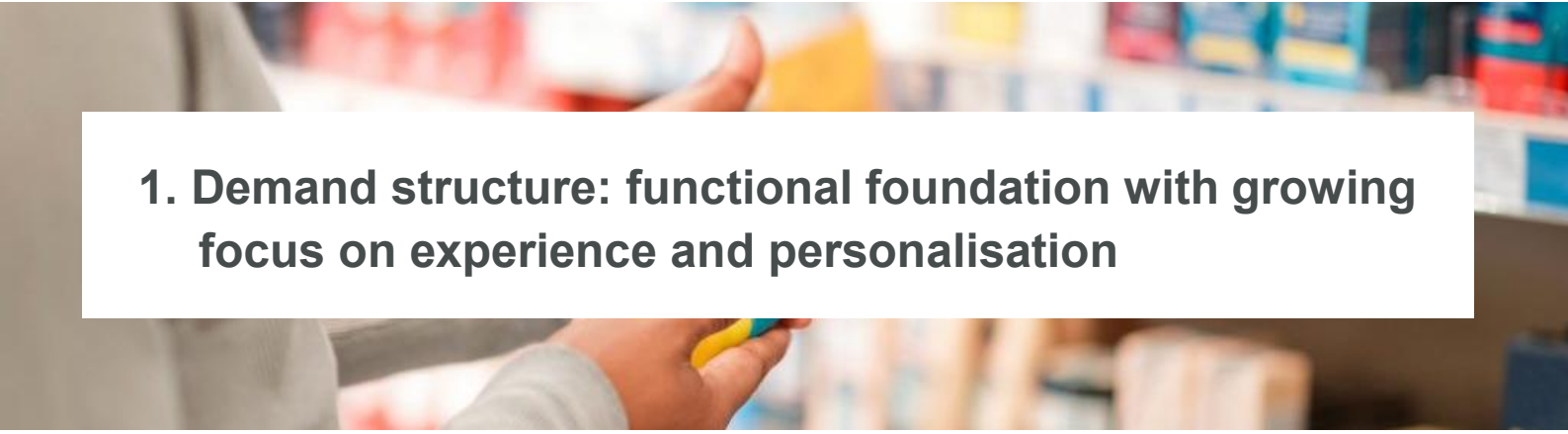




Chapter 3

Value-added service expectations



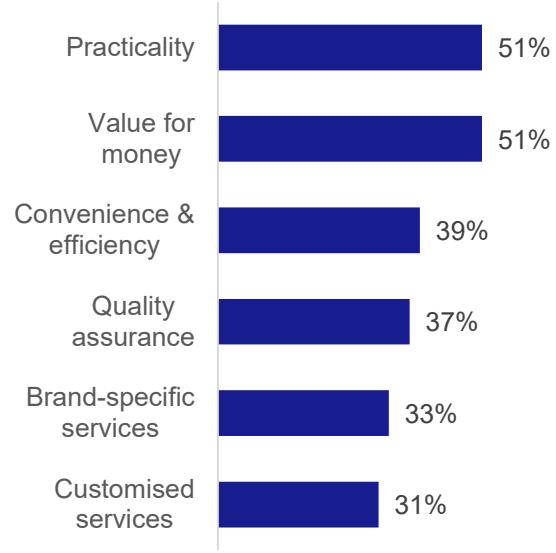


1. Demand structure: functional foundation with growing focus on experience and personalisation

Survey results show that consumer demand for value-added services is primarily anchored in functional needs, including practicality, value for money, convenience, efficiency and quality assurance. This reflects an overall shift towards more rational and pragmatic expectations. At the same time, interest in brand-specific and customised services is increasing, indicating that once basic needs are met, consumers begin to seek differentiated experiences and emotional value. Value-added services are therefore evolving from a "functional add-on" to a driver of experience enhancement.

Value-added service needs

Percentage of respondents

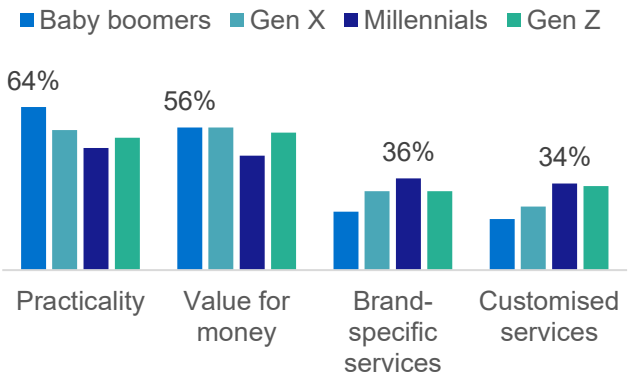


By generation, older cohorts place greater emphasis on practicality and value for money, with decisions guided by stability and efficiency. In contrast, Millennials show significantly higher demand for brand-specific services, customisation and premium experiences, and are more willing to pay for experience and personal expression, reflecting a combined preference for "personalisation and brand value". Generation Z shows a similar pattern, indicating that experience-led and personalised demand is a common trend among younger consumers.

By city tier, differences are mainly driven by purchasing power and pace of life. Consumers in lower-tier cities are more price-sensitive and focus on practicality and value for money, with expectations centred on efficiency and cost control. In higher-tier cities, expectations shift towards service quality and overall experience, with demand moving from "problem-solving" to "experience enhancement". Overall, functional value remains the baseline across all segments, while demand for experience and personalisation is growing faster among younger cohorts and in higher-tier cities, driving a more segmented and refined service landscape.

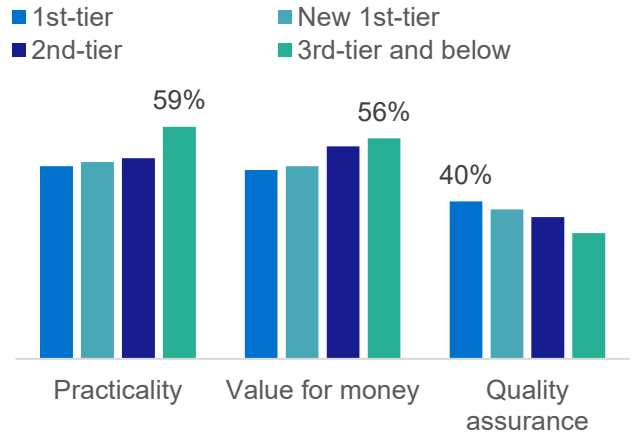
Value-added service needs: generation comparison

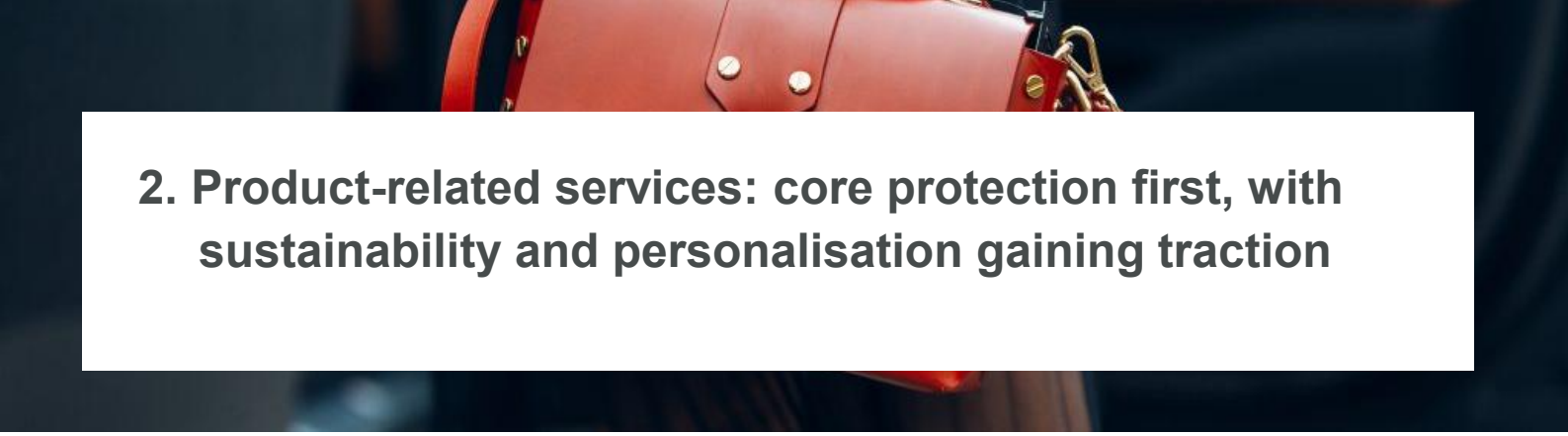
Percentage of respondents



Value-added service needs: city comparison

Percentage of respondents





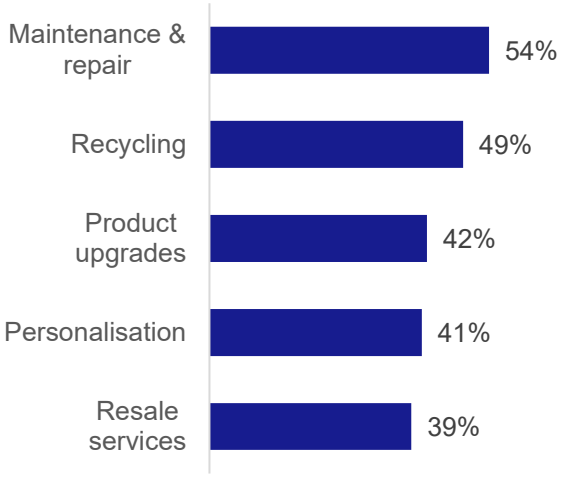
2. Product-related services: core protection first, with sustainability and personalisation gaining traction

Value-added services have become an important factor in brand selection, with demand showing a clear pattern of “core needs first, emerging needs as extension”.

At the product level, demand is concentrated in five key areas: maintenance and repair, recycling, product upgrades, personalisation, and resale services. Maintenance and repair rank highest, reflecting strong focus on long-term product value and alignment with more rational consumption behaviour. Recycling services follow closely, while resale services also rank among the top five, indicating the continued rise of sustainability in premium consumption. Demand for product upgrades and personalisation is also strong, showing that once basic protection needs are met, consumers increasingly seek product enhancement and self-expression. Overall, demand is evolving from “protection value” to “extended value”.

Top value-added services for products

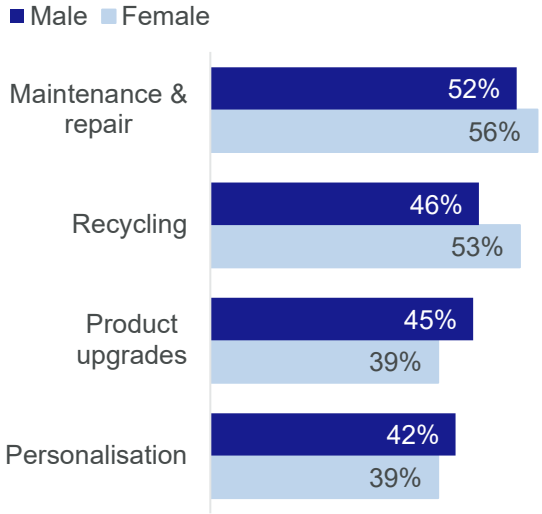
Percentage of respondents



Gender differences are most visible in sustainability and upgrade-related services. Women show stronger demand for maintenance and recycling, placing greater emphasis on durability, long-term value and environmental responsibility. Men show stronger interest in upgrades and personalisation, focusing on performance, value extension and exclusivity.

Product value-added services: gender comparison

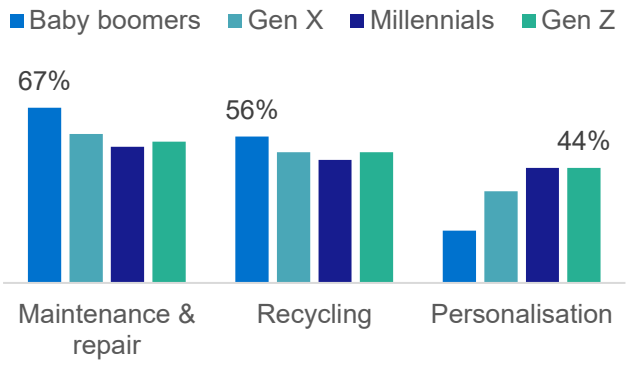
Percentage of respondents



By generation, differences reflect the balance between functional needs and personal expression. Baby Boomers show the highest demand for maintenance and recycling, and the lowest interest in personalisation, reflecting a more practical and long-term consumption mindset. Millennials and Generation Z show similar patterns, with stronger demand for personalisation and relatively lower focus on maintenance, indicating greater emphasis on individual style and faster product replacement cycles.

Product value-added services: generation comparison

Percentage of respondents

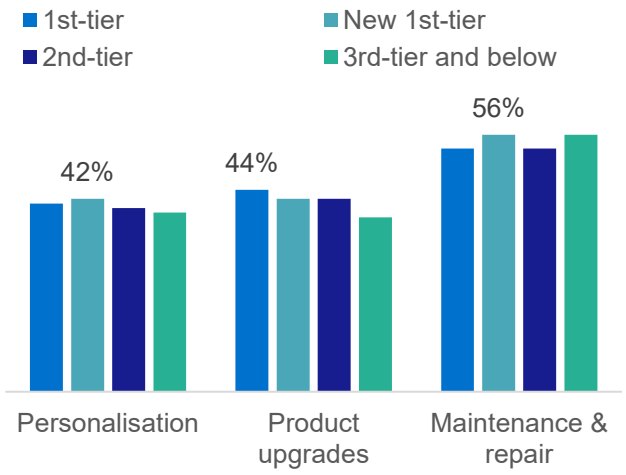


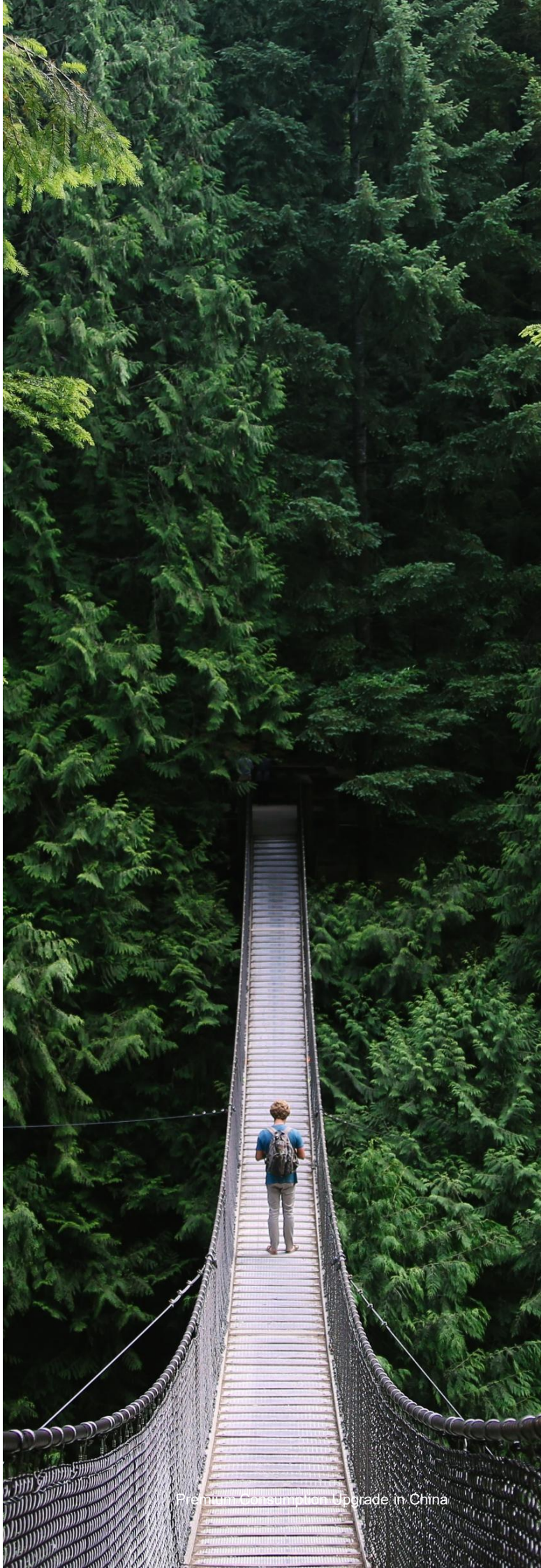
2. Product-related services: core protection first, with sustainability and personalisation gaining traction

By city tier, demand differences become more pronounced. Tier-1 consumers place greater importance on product upgrades; new Tier-1 cities show stronger demand for personalisation; while Tier-3 and below cities focus more on maintenance and other basic services, emphasising practicality and value for money.

Product value-added services: city comparison

Percentage of respondents





Premium Consumption Upgrade in China

3. Experience-related services: efficiency first, with rising expectations on experience

Demand for experience-related services follows a "core experience first, advanced experience second" pattern. Seamless integration across channels and efficient processes have become standard expectations, with experience services shifting from a differentiator to a basic requirement.

In terms of structure, demand focuses on four areas: seamless omnichannel experience, simple and efficient purchasing processes, immersive environments, and digital interaction tools. Process efficiency remains the top priority, with services such as integrated online and offline journeys, one-click ordering, and fast returns directly affecting decision-making and satisfaction.

Beyond this, immersive environments and digital interaction are gaining importance, as consumers increasingly expect engagement and novelty during the purchasing process. In contrast, high-investment services such as personal shopping advisors, premium courses and exclusive brand events remain niche and are not yet mainstream.

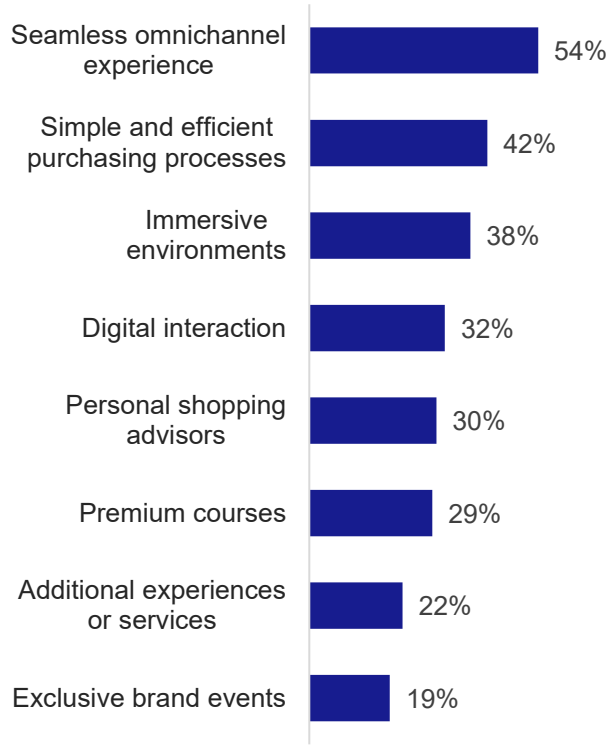
Gender differences are clear. Women show stronger preference for knowledge-based experiences such as premium courses, reflecting a focus on self-development and depth of experience. Men show higher demand for personal shopping advisors, prioritising efficiency and decision support.

By generation, Baby Boomers focus on simplicity and digital support to reduce complexity; Generation X places highest importance on seamless omnichannel experience; Millennials show stronger interest in premium services and personalised support; and Generation Z shares this preference while placing additional emphasis on process smoothness, immersion and real-time interaction.

By city tier, higher-tier cities show stronger demand for exclusive services such as premium courses and personal advisors, while new Tier-1 cities also show high interest in advisory services. Tier-2 cities, as retail infrastructure improves, show growing demand for omnichannel and immersive experiences. In Tier-3 and below cities, demand remains focused on availability and efficiency, with experience playing a secondary role.

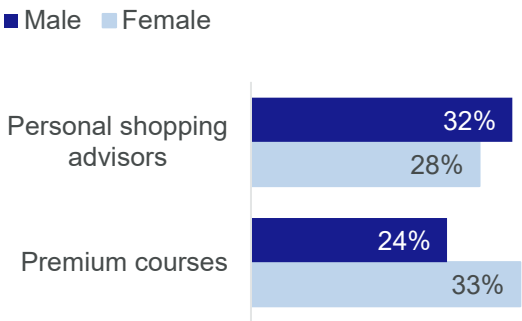
Top value-added services for experiences

Percentage of respondents



Experience value-added services: gender comparison

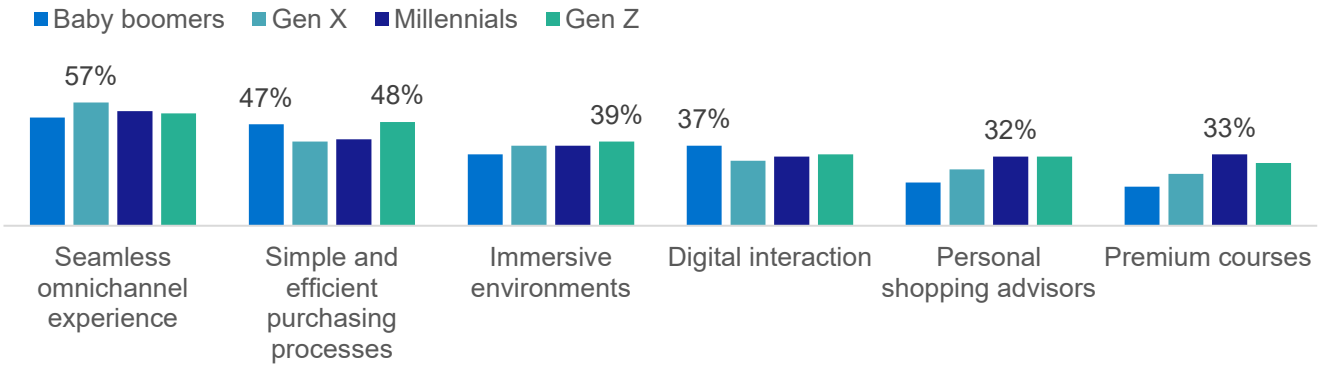
Percentage of respondents



3. Experience-related services: efficiency first, with rising expectations on experience

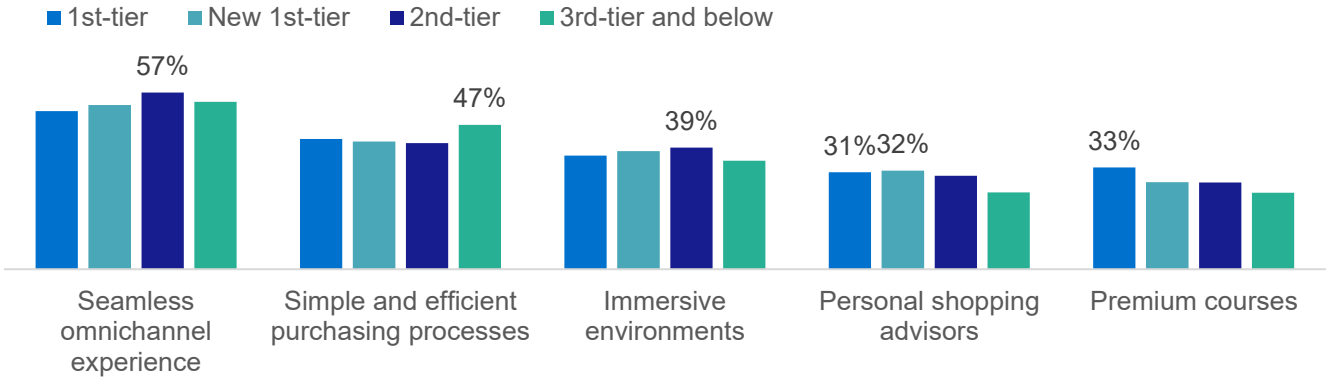
Experience value-added services: generation comparison

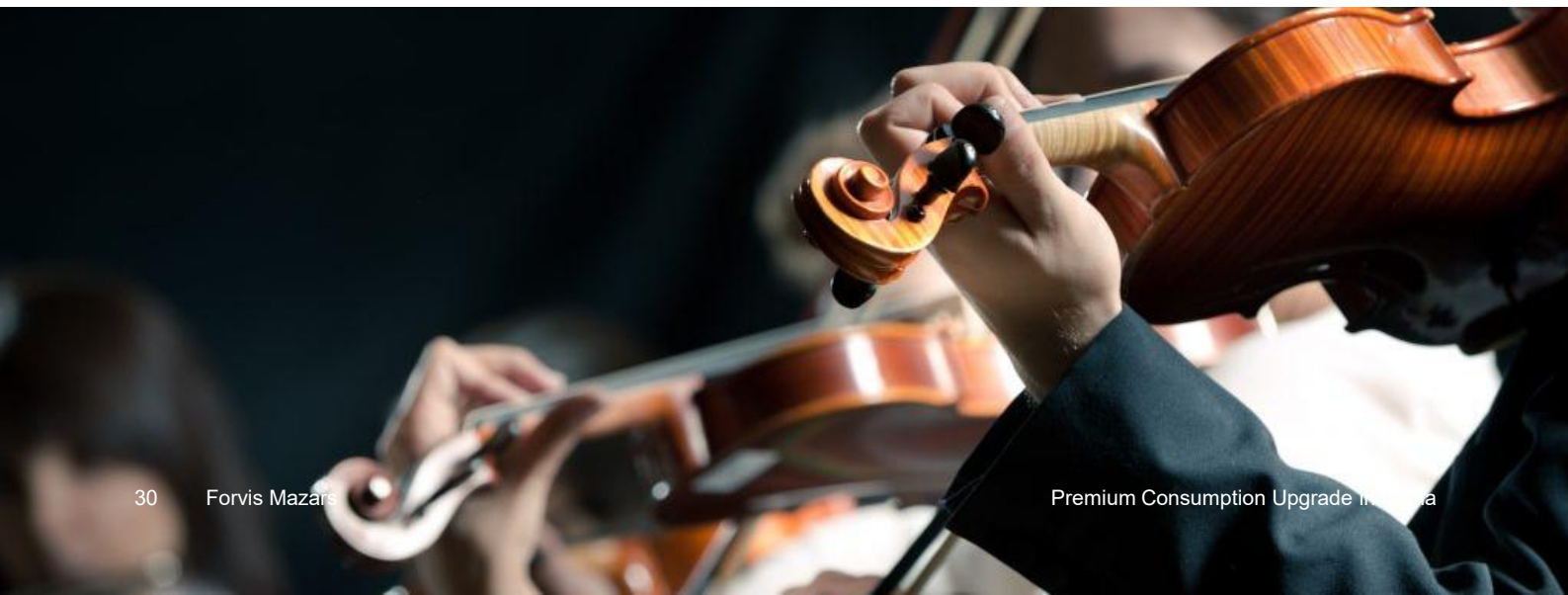
Percentage of respondents

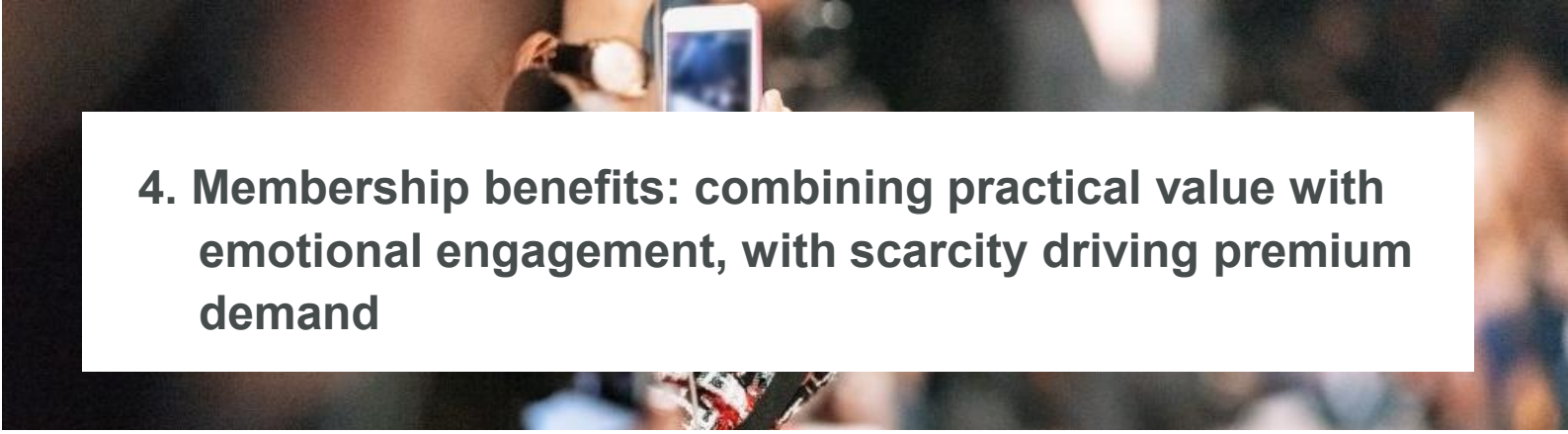


Experience value-added services: city comparison

Percentage of respondents







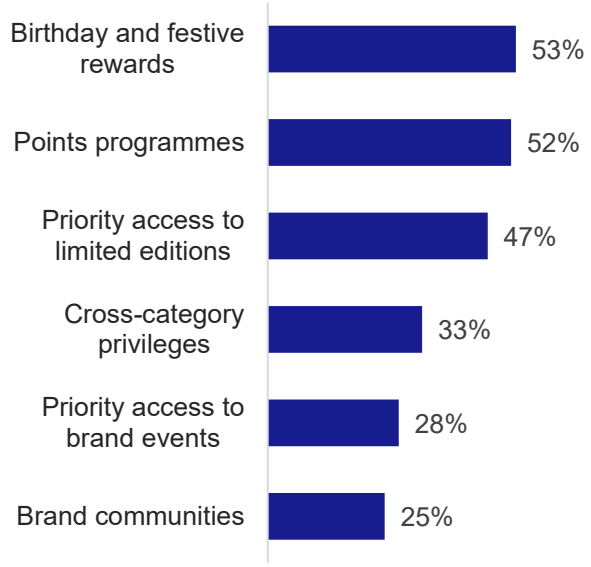
4. Membership benefits: combining practical value with emotional engagement, with scarcity driving premium demand

Consumer expectations for membership benefits follow a clear structure: practical value as the base, with emotional and scarcity-driven benefits layered on top.

The most valued benefits include birthday and festive rewards, as well as points programmes, indicating that membership systems are primarily expected to provide consistent and tangible returns while strengthening ongoing engagement. Priority access to limited editions ranks highly, reflecting strong sensitivity to scarcity and the perceived value of membership status in accessing exclusive products. Other benefits—such as priority access to brand events, cross-category privileges, and brand communities—are also important, showing that expectations are expanding from simple rewards to broader brand ecosystem participation.

Top value-added services for memberships

Percentage of respondents



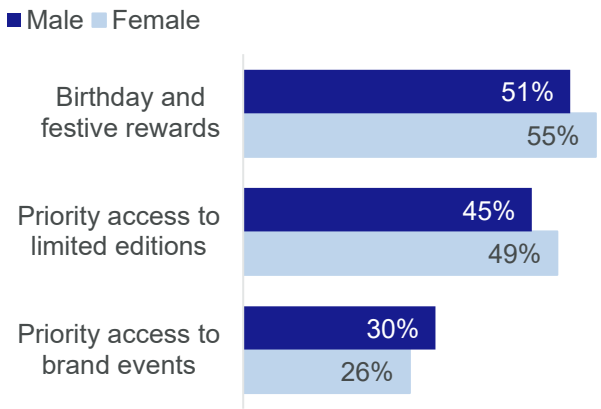
Gender differences are most visible in emotional and social benefits. Women place greater emphasis on birthday rewards and priority access to limited editions, valuing emotional connection and exclusivity. Men show stronger interest in priority access to brand events, using these as a way to engage with brands and access information.

By generation, Baby Boomers and Generation X place greater importance on points programmes and direct value returns. Millennials show the strongest demand for cross-category benefits, valuing flexibility across usage scenarios. Generation Z places the highest importance on birthday rewards, reflecting a stronger focus on emotional value and immediacy. Both Millennials and Generation Z show higher preference for priority access to limited editions, viewing membership as a tool for exclusivity and self-expression.

By city tier, higher-tier cities show stronger demand for priority access and cross-category benefits, reflecting more mature membership expectations. Tier-2 and below cities place greater emphasis on points-based rewards, valuing measurable returns. In Tier-3 and below cities, birthday rewards remain the main engagement point, with membership still centred on basic emotional connection.

Membership value-added services: gender comparison

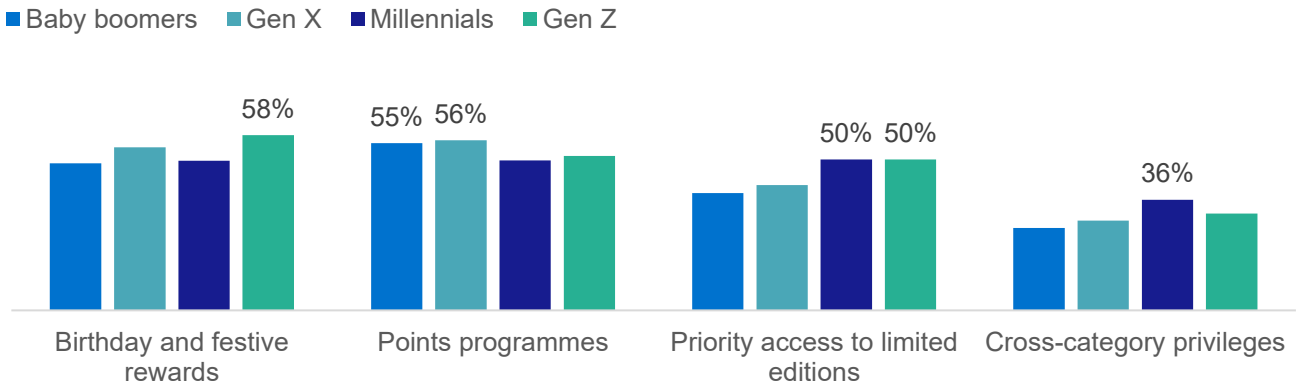
Percentage of respondents



4. Membership benefits: combining practical value with emotional engagement, with scarcity driving premium demand

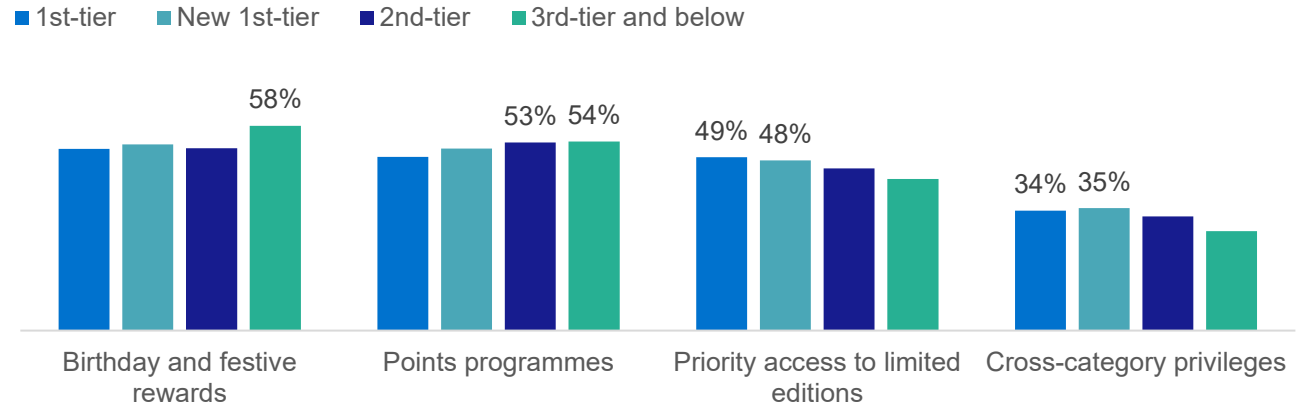
Membership value-added services: generation comparison

Percentage of respondents

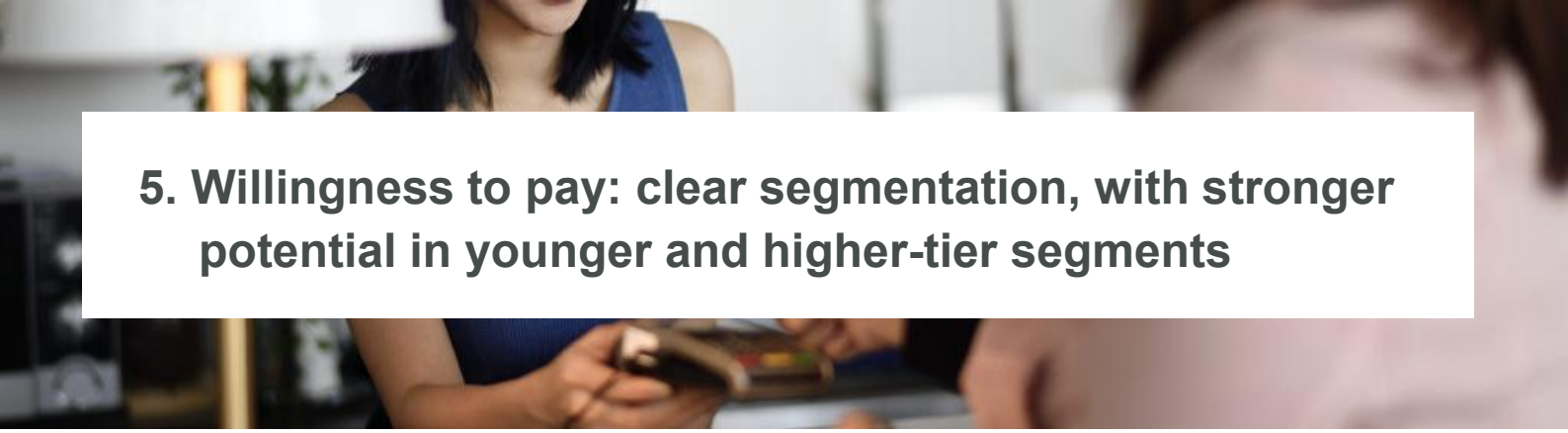


Membership value-added services: city comparison

Percentage of respondents





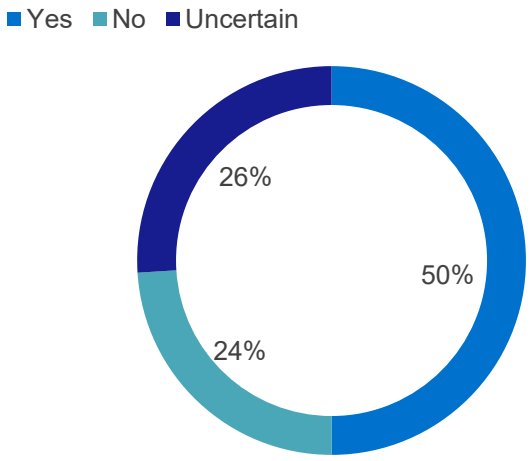


5. Willingness to pay: clear segmentation, with stronger potential in younger and higher-tier segments

Around half of respondents are willing to pay for value-added services, indicating that the model has a clear market foundation. A further quarter remain uncertain, representing a key conversion opportunity. Overall, consumers are shifting from purchasing products to purchasing services and experiences, with value perception gradually forming.

Willingness to pay

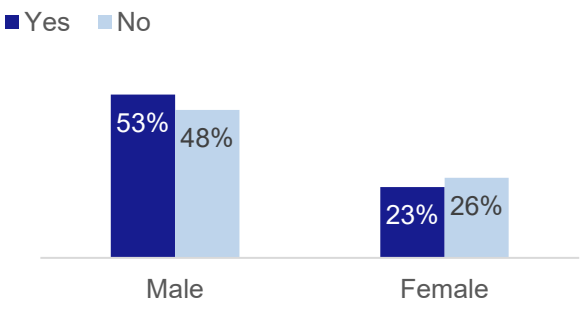
Percentage of respondents



By gender, men show higher willingness to pay, while a higher share of women are unwilling, reflecting stronger price sensitivity and more rational evaluation. This suggests that clearer value communication is required for female consumers.

Willingness to pay: gender comparison

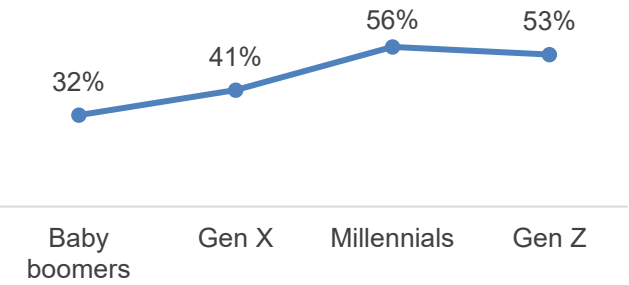
Percentage of respondents



By generation, willingness to pay increases with younger age groups. Millennials and Generation Z represent the core target segments, with above-average willingness and stronger acceptance of service-based value. In contrast, fewer than one-third of Baby Boomers are willing to pay, and a high share remain uncertain, indicating a more cautious approach and stronger reliance on product value.

Willingness to pay: generation comparison

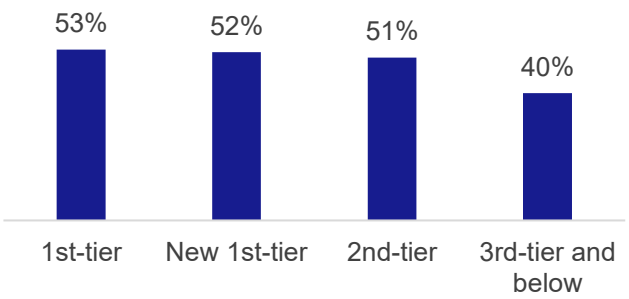
Percentage of respondents

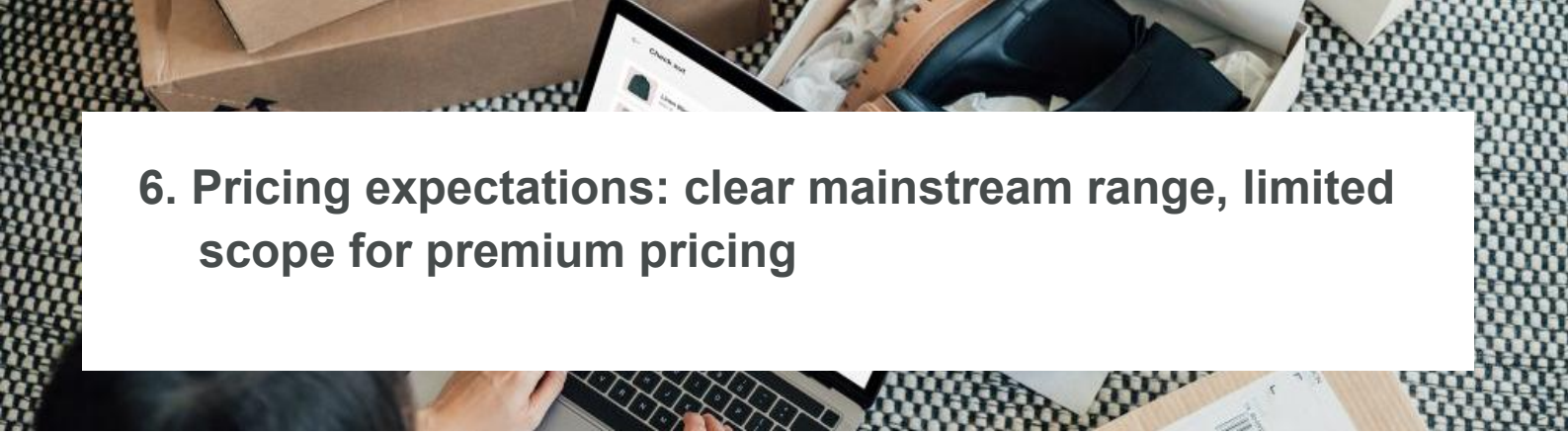


By city tier, willingness to pay increases with city level. In Tier-2 and above cities, more than half of consumers are willing to pay, providing a strong basis for commercialisation. In Tier-3 and below cities, willingness is around 40%, with over one-third uncertain, indicating the need for further market education.

Willingness to pay: city comparison

Percentage of respondents



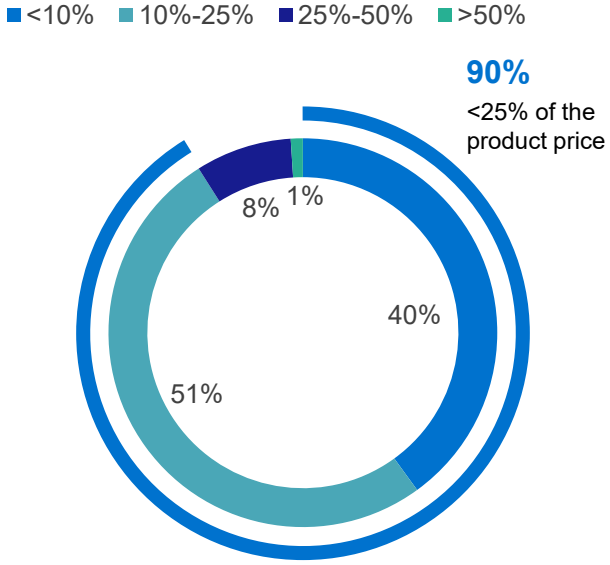


6. Pricing expectations: clear mainstream range, limited scope for premium pricing

Among consumers willing to pay, over 90% accept paying no more than 25% of the product price for value-added services, indicating high sensitivity to service pricing. The 10%–25% range is the most widely accepted and represents the core pricing band. Only 9% accept a premium above 25%, and less than 1% accept more than 50%, indicating a clear upper limit.

Pricing expectations (% of the product price)

Percentage of respondents

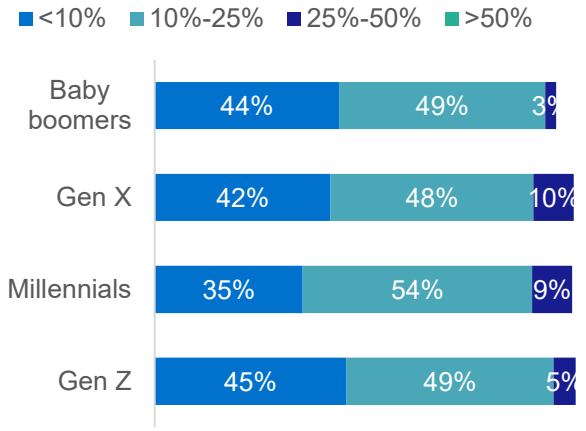


By generation, younger consumers do not necessarily show higher price tolerance. Millennials represent the most commercially viable segment, with 65% willing to pay more than 10% and 11% accepting above 25%. Generation X shows similar patterns. Generation Z, while willing to pay, is more sensitive to absolute price levels.

By city tier, willingness to pay higher prices increases with city level. In Tier-1 cities, 72% accept paying above 10%, and 15% accept above 25%. In Tier-3 and below cities, willingness is more limited, with pricing best positioned below 10%.

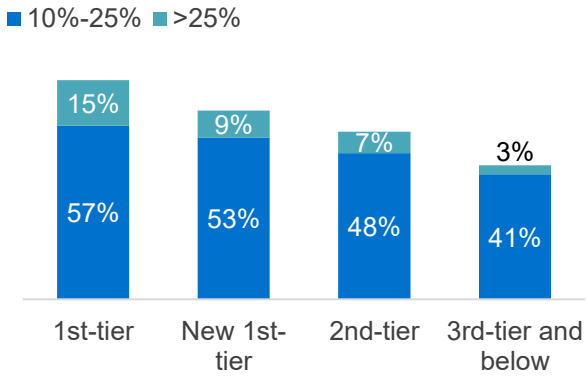
Pricing expectations (% of the product price): generation comparison

Percentage of respondents



Pricing expectations (% of the product price): city comparison

Percentage of respondents



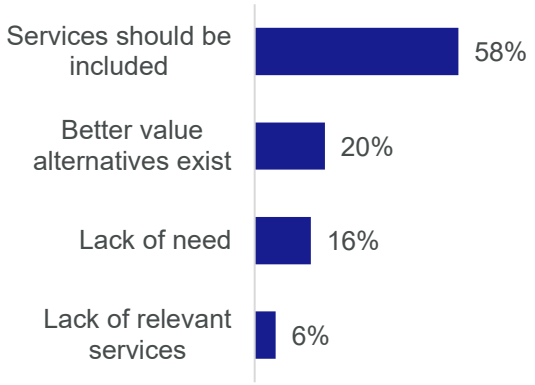


7. Barriers to payment: expectation of inclusion and unclear value proposition

Among consumers unwilling to pay, nearly 60% believe that value-added services should already be included in the product price, making this the primary barrier. Around 20% believe that better value alternatives exist, indicating that current services are not yet seen as differentiated. Another 20% cite lack of need or lack of relevant services, suggesting a gap between service offering and actual demand.

Barriers to payment

Percentage of respondents

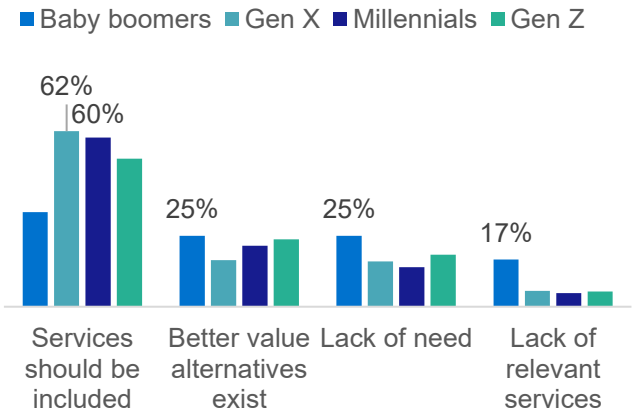


By generation, Baby Boomers show the highest levels of resistance across all factors, indicating lower acceptance of new service models. Among Generation X and Millennials, the belief that services should be included is most prominent, reflecting stricter evaluation of incremental value.

By city tier, lower-tier cities show the strongest belief that services should be included, indicating that paid service habits are less developed. In new Tier-1 cities, more consumers believe better alternatives exist, reflecting greater choice and higher expectations.

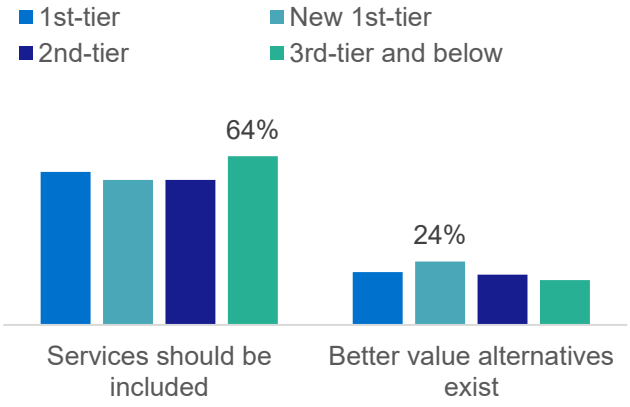
Barriers to payment: generation comparison

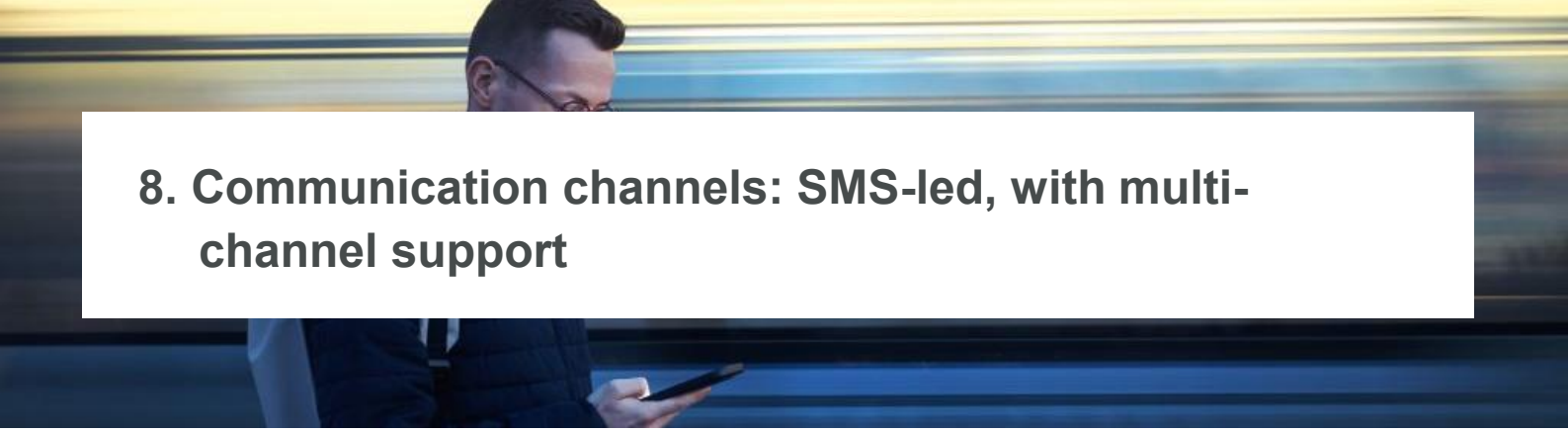
Percentage of respondents



Barriers to payment: city comparison

Percentage of respondents





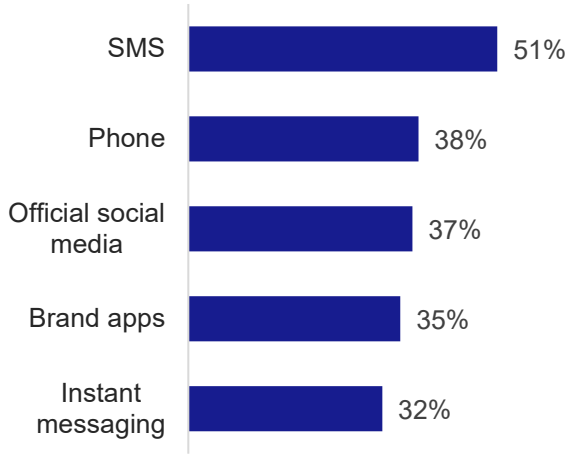
8. Communication channels: SMS-led, with multi-channel support

Consumer preferences for communication channels are highly concentrated. SMS is the primary channel, reflecting demand for immediate, low-effort communication. Phone support ranks second, with around 40% preferring human interaction, particularly for explanation and problem resolution.

At the same time, digital channels—including official social media, brand apps and instant messaging—are widely adopted, indicating that digital communication is now a core capability rather than a secondary option.

Communication channels

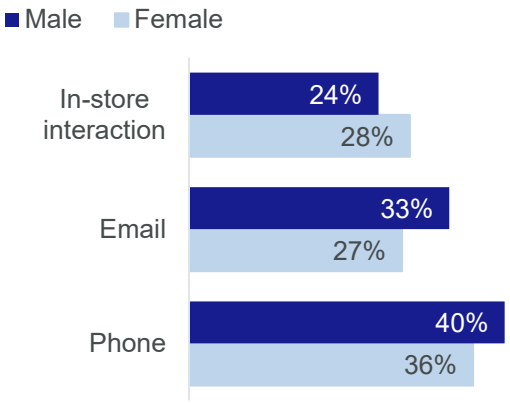
Percentage of respondents



Gender differences are limited. Men rely slightly more on phone and email, focusing on efficiency and completeness, while women show stronger preference for in-store interaction, reflecting higher expectations for service experience.

Communication channels: gender comparison

Percentage of respondents

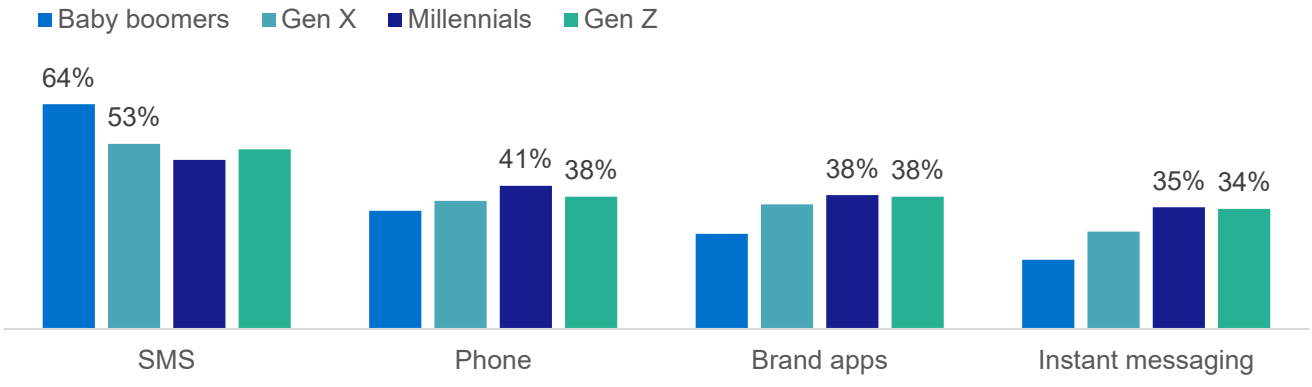


By generation, older groups rely more on SMS, while younger consumers adopt multiple channels in parallel, showing greater flexibility.

By city tier, reliance on SMS increases in lower-tier cities, while higher-tier cities show greater acceptance of multi-channel communication.

Communication channels: generation comparison

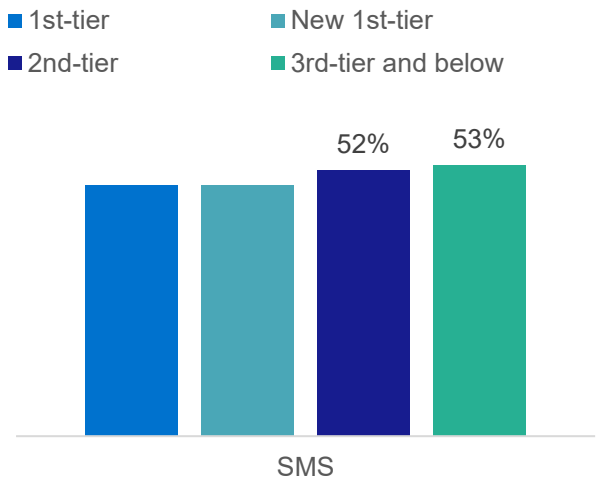
Percentage of respondents

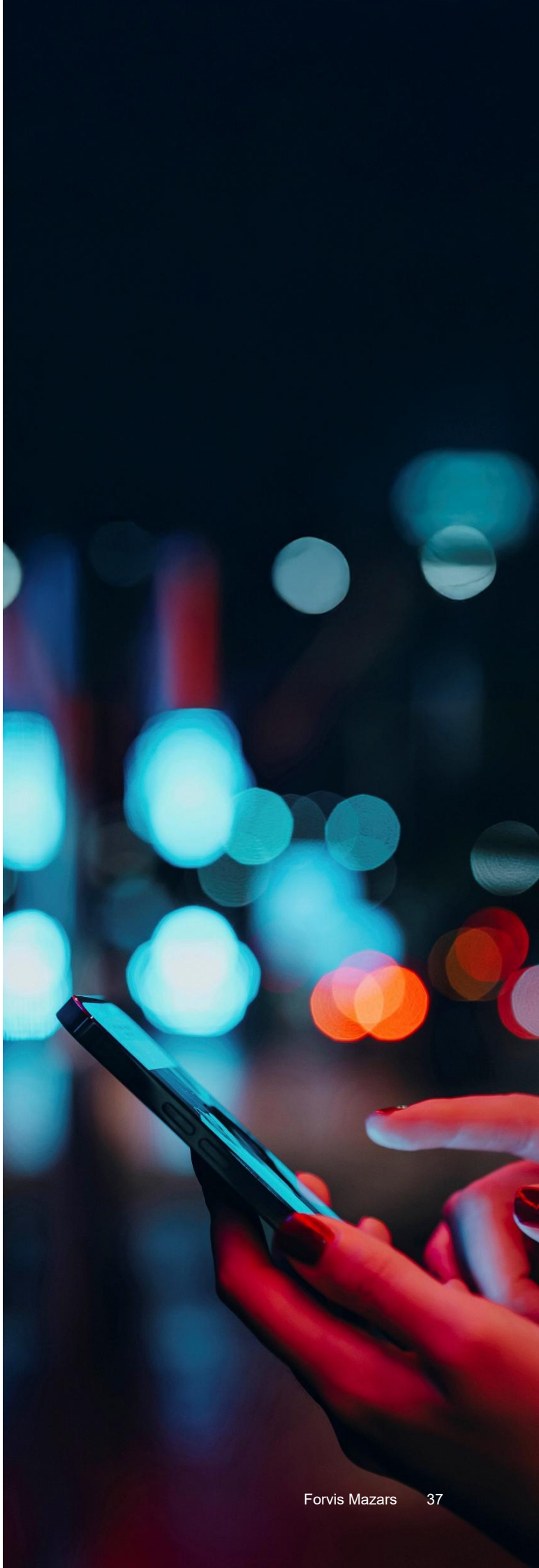


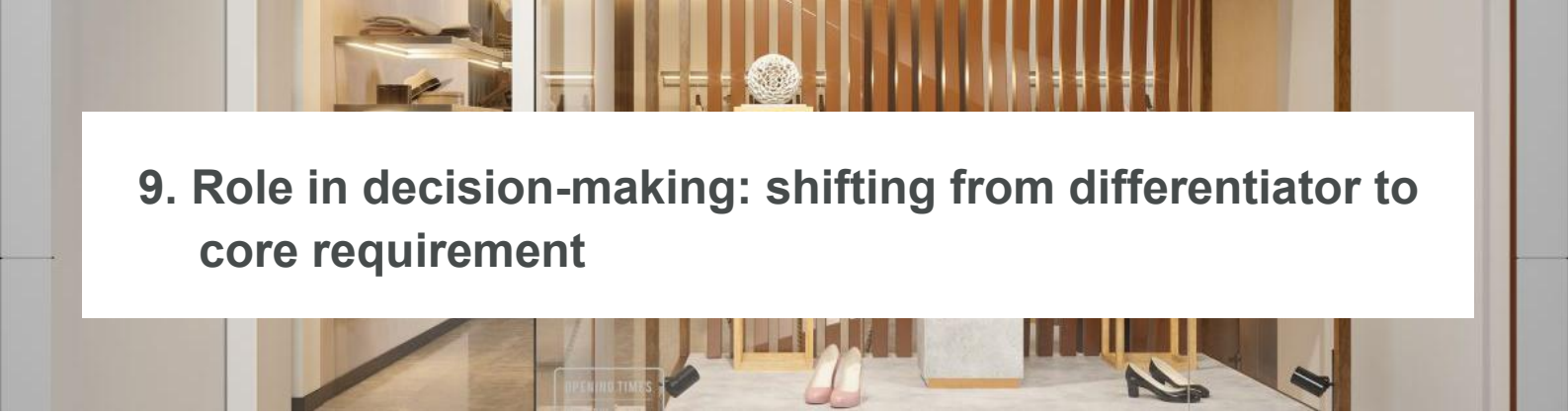
8. Communication channels: SMS-led, with multi-channel support

Communication channels: city comparison

Percentage of respondents







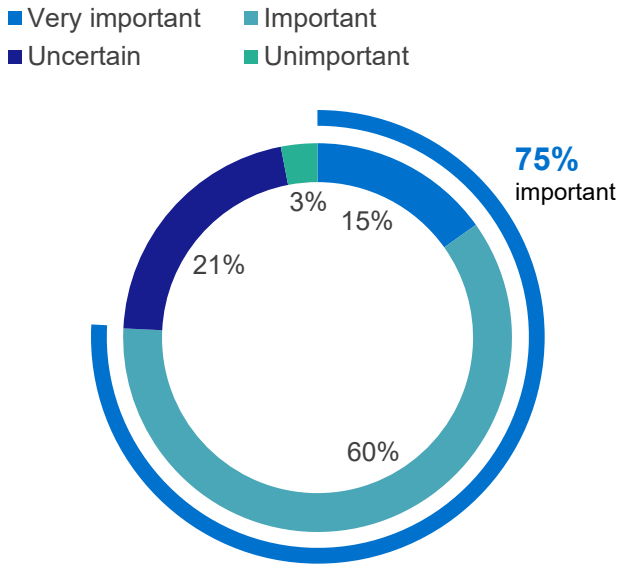
9. Role in decision-making: shifting from differentiator to core requirement

Value-added services are increasingly important in purchase decisions. Around 75% of respondents consider them “important” or “very important”, indicating that premium consumption is moving from a product-only focus to a combined focus on product and service.

The share selecting “important” is higher than “very important”, suggesting a rational view—consumers recognise value but remain selective. Only 3% consider services unimportant, indicating that service is now a basic expectation rather than an optional feature.

Role of value-added services in shaping consumer choices

Percentage of respondents



Men show slightly higher overall importance than women, suggesting that service is becoming an important factor in building trust across all consumers.

By generation, Baby Boomers place less emphasis on services, while Millennials show the highest importance, leading the shift towards service-led consumption. Generation Z follows closely, indicating that this trend will continue.

By city tier, higher-tier cities place greater importance on service quality and overall experience, while lower-tier cities show lower emphasis, reflecting differences in market maturity.

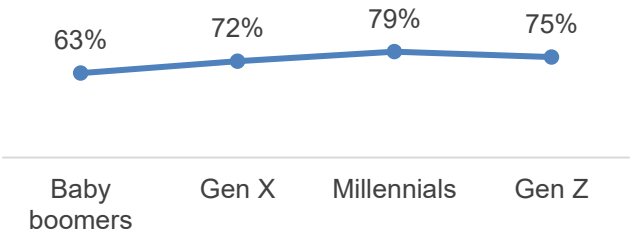
Perceived importance of value-added services in purchase decisions: gender comparison

Percentage of respondents



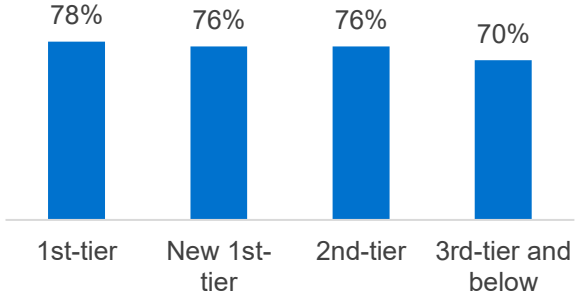
Perceived importance of value-added services in purchase decisions: generation comparison

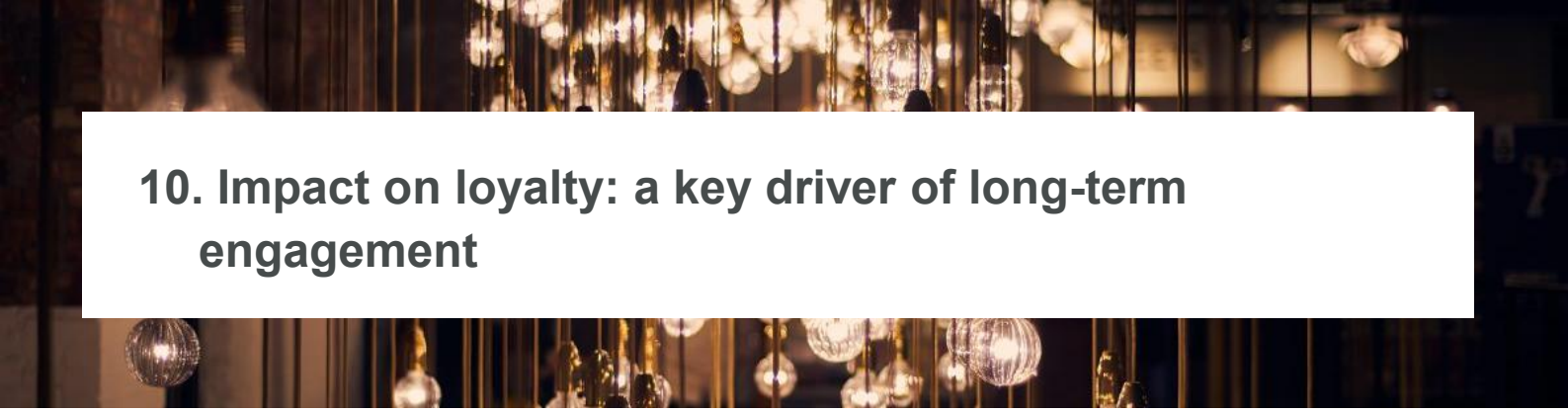
Percentage of respondents



Perceived importance of value-added services in purchase decisions: city comparison

Percentage of respondents



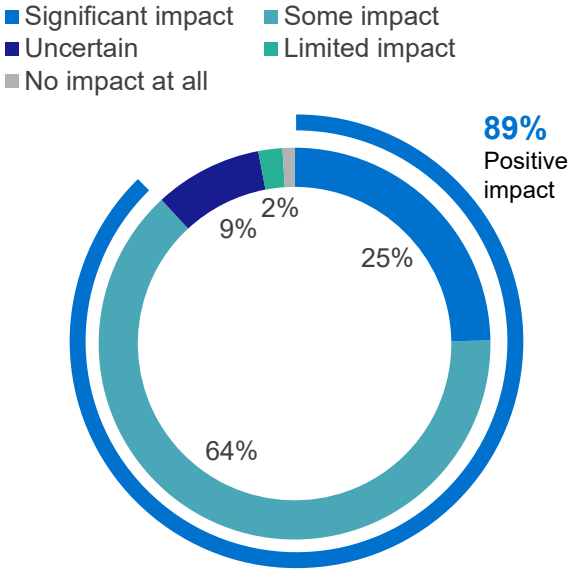


10. Impact on loyalty: a key driver of long-term engagement

Survey results show that consumers widely recognise the role of value-added services in strengthening brand loyalty, with nearly 90% expressing a positive view. Among them, 64% believe such services have “some impact”, reflecting a measured and rational assessment of service value, while a further 25% believe they have a “significant impact”, indicating that for a meaningful segment, high-quality services directly influence repeat purchase and long-term brand choice.

Impact on loyalty

Percentage of respondents

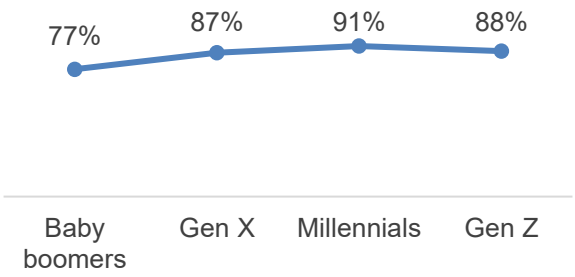


Differences across generations are particularly pronounced. Millennials show the highest level of recognition of the role of value-added services in driving loyalty. As the current and future core of premium consumption, their service-oriented mindset is likely to continue shaping market direction. Generation Z and Generation X show similar levels of recognition, indicating that the link between service and loyalty is already well established among middle and younger consumer groups. In contrast, Baby Boomers show a noticeably lower level of recognition. This suggests that their brand loyalty remains more strongly anchored in product quality and long-term usage experience, rather than service enhancement.

By city tier, recognition of the role of value-added services in driving loyalty increases with city level. While Tier-1 cities show a slightly higher level, the overall differences across city tiers are not significant. This indicates that the importance of service in building loyalty is broadly recognised across markets, rather than being limited to higher-tier cities.。

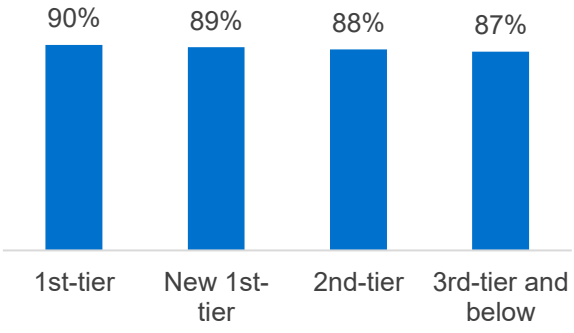
Impact on loyalty: generation comparison

Percentage of respondents



Impact on loyalty: city comparison

Percentage of respondents





Conclusion and insights

Against a more cautious macro backdrop and increasingly rational consumer sentiment, China's premium consumption market is shifting from scale-driven to value-driven growth. Premium consumption has not slowed, but its underlying logic has evolved: consumers are moving beyond whether a product is "premium" to whether it is truly worth it, with more disciplined trade-offs across price, experience, and service.

This shift implies that China's premium market is no longer evolving along a single trajectory. Instead, it is fragmenting into multiple parallel pathways shaped by generation, gender, and city tier. For brands, the ability to identify and actively manage these structural differences will be far more strategically important than attempting to predict short-term market cycles.

1. Premium consumption enters a "refined stage"; premium value requires redefinition

The core of premium value is shifting from product and brand symbolism towards a more holistic assessment centred on end-to-end value perception across the consumer lifecycle. Consumers now evaluate not only the product itself, but also the experience throughout its usage and the surrounding service ecosystem.

As a result, the foundation of premium pricing power is changing. Premiums built solely on product pricing or brand heritage are narrowing, while value derived from experience, service, and relationship is expanding. Brands must reassess what "premium" means in practice, avoiding an overreliance on price or scarcity as proxies, or risk losing relevance among core consumers.

2. Deepening generational divergence reduces the effectiveness of a single premium narrative

As Millennials and Gen Z become the primary growth engine, interpretations of premium consumption are diverging. Younger cohorts place greater emphasis on experience, emotional value, and self-expression, whereas older cohorts prioritise certainty, durability, and long-term value.

This requires a shift from a single premium positioning to layered value propositions. Maintaining brand coherence while tailoring product portfolios and service design to different generational value anchors will be critical to capturing high-value customers.

3. Chinese brands have moved from challengers to standard-setters

Chinese brands now command a leading share of the premium market, with growth expected to continue across generations. This is not a temporary shift but a structural transition. Chinese brands are no longer alternatives—they are core competitors shaping the market.

For international brands, the question is no longer whether Chinese brands will compete, but how far and how fast they will advance. As Chinese brands expand into higher price tiers and more specialised categories, and as their capabilities in product, storytelling, and service mature, international players must reassess their sources of differentiation—specifically, what continues to justify consumer choice in their favour.

This is not a transitional phase. Chinese brands are now firmly positioned at the forefront, actively redefining what constitutes "premium".

4. Value-added services are evolving from differentiation to entry requirement

The research confirms that value-added services have become a baseline expectation in premium consumption, shifting from "nice-to-have" to "must-have". Consumer evaluation of services is increasingly rational, raising expectations around consistency, reliability, and long-term delivery

For brands, treating services as short-term marketing tools will deliver diminishing returns. Only when embedded systematically into operations and customer management can services translate into sustained competitive advantage. Delivering differentiated experiences within a consistent service framework will directly impact return on service investment.

Conclusion and insights

5. City-tier differences require the end of “one-size-fits-all” strategies

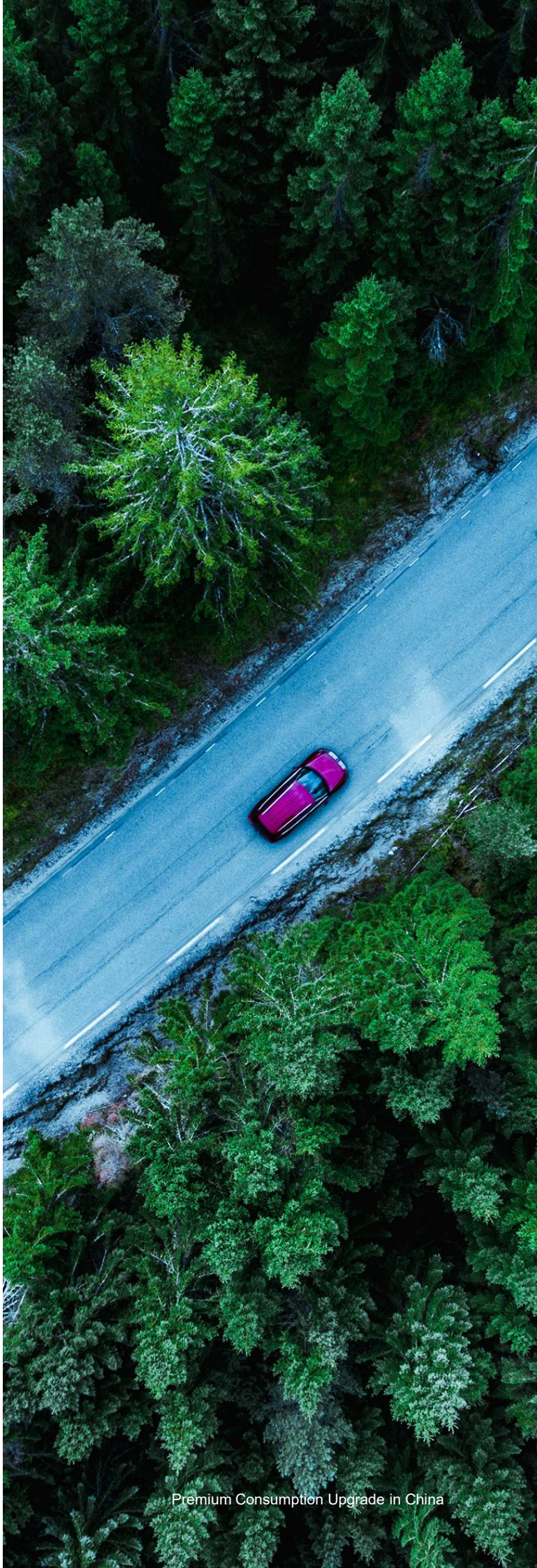
City tier not only reflects purchasing power but also shapes expectations around premium consumption and service value. Higher-tier cities demand service quality, experience completeness, and exclusivity, while lower-tier cities prioritise practicality and value for money.

This divergence renders uniform national strategies increasingly ineffective. Brands must dynamically adjust channel strategy, service depth, and value messaging based on city maturity and customer structure to optimise resource allocation and returns.

6. Competitive focus shifts from transactions to relationship management

The essence of premium consumption upgrade in China is the transition from one-off transactions to long-term relationships. Future competition will not be defined by who can command higher prices, but by who can more effectively manage and grow high-value customer relationships.

In an era where rational consumption is the norm, the most resilient premium brands will be those that continuously interpret evolving consumer needs and build sustainable value relationships through service and experience.



Premium Consumption Upgrade in China

Conclusion and insights
Strategic Actions for Brands

1. Reframe value propositions from status to self-expression

Reorient brand messaging and product positioning toward self-expression, personal enrichment, craftsmanship, and cultural depth. Retire narratives anchored purely in status, heritage prestige, or price-as-quality-signal. Commission China-specific brand identity research. Develop storytelling that speaks to the consumer's interior life — what they want to feel and become — not how they will appear to others

2. Build a comprehensive value-added service ecosystem

Design and deploy a full-spectrum value-added services portfolio covering product services (repair, customisation, recycling, upgrade), experience services (seamless O2O, immersive flagship, personal advisor), and membership services (birthday privileges, points, early access, exclusive events). Prioritise practicality, value, and convenience above prestige. Set clear KPIs linking value-added services penetration to purchase frequency and loyalty metrics.

3. Develop a differentiated response to Chinese brand competition

Commission rigorous competitive intelligence on the top Chinese premium brands across your core categories. Identify where Chinese brands are under-serving consumers (global cultural cachet, international accessibility, heritage storytelling) and invest disproportionately in those dimensions. Explore co-creation, collaboration, or curated 'Made for China' programmes that demonstrate genuine cultural partnership rather than cultural tourism.

4. Implement segment-specific strategies for each generational cohort

Deploy distinct engagement architectures: For Gen Z — digital-first, sustainability-led, community-driven, exploration-enabling. For Millennials — premium service excellence, lifestyle integration, curated personalisation, premium membership. For Gen X — value demonstration, product quality assurance, transparent pricing justification. Do not assume that channel, message, or service preferences are consistent across generations.

5. Invest in phygital infrastructure now

Treat the integration of digital and physical retail as an investment priority today. Specifically: deploy WeChat-integrated CRM with full purchase history and preference data visible to in-store advisors; pilot AR/VR try-on in flagship locations; develop mobile app capabilities that serve as a genuine service tool (not a promotional channel); create seamless returns and service booking flows across all channels.

6. Build a China-native communication & relationship architecture

SMS and WeChat-ecosystem channels dominate preferred communication. Ensure that your Chinese CRM stack is built natively for these channels — not adapted from global platforms. Invest in WeCom for 1 to 1 advisor-client communication. Develop a social media engagement strategy that creates genuine community value rather than broadcasting promotional content. Treat every communication touchpoint as a service interaction.

7. Launch credible circular economy programmes

The demand for repair, recycling, and resale services is not a niche preference — it is a mainstream expectation that will intensify over the next 2-3 years. Develop programmes that extend product life (repair workshops, certified restoration services), offer sustainable trade-in options, and enable second-hand transactions within a brand-controlled environment. These programmes reduce environmental impact, create new client touchpoints, and build trust with value-conscious consumers.

8. Prepare for post-recovery surge — invest in relationships now

With nearly half of consumers signalling post-recovery growth intent, the brands that maintain and deepen client relationships through the current slowdown will disproportionately capture the recovery dividend. Specific actions: maintain value-added service quality and membership benefits (do not cut during downturns); increase personalised outreach frequency; invite high-value clients to exclusive events; use the slower period to upgrade data quality and advisor training. The cost of

Conclusion and insights
Strategic Actions for Brands

relationship neglect during a downturn is paid with interest during the recovery.

China’s premium market is not declining — it is evolving at an accelerated pace. The consumers captured in this survey are not abandoning premium consumption; they are redefining it on their own terms. They are demanding that brands meet them where they are: in their desire for self-expression, their expectation of seamless service, their openness to Chinese excellence, and their aspiration for a more meaningful and sustainable relationship with the things they own.

The brands that will lead China’s premium market in the future are those making the right investments today. This survey provides the map. The distance between where brands are today and where consumers need them to be is the strategic gap that defines the opportunity — and the risk — of the next five years.



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