



CHINA'S MAJOR CONSUMPTION FORCE

GEN Z

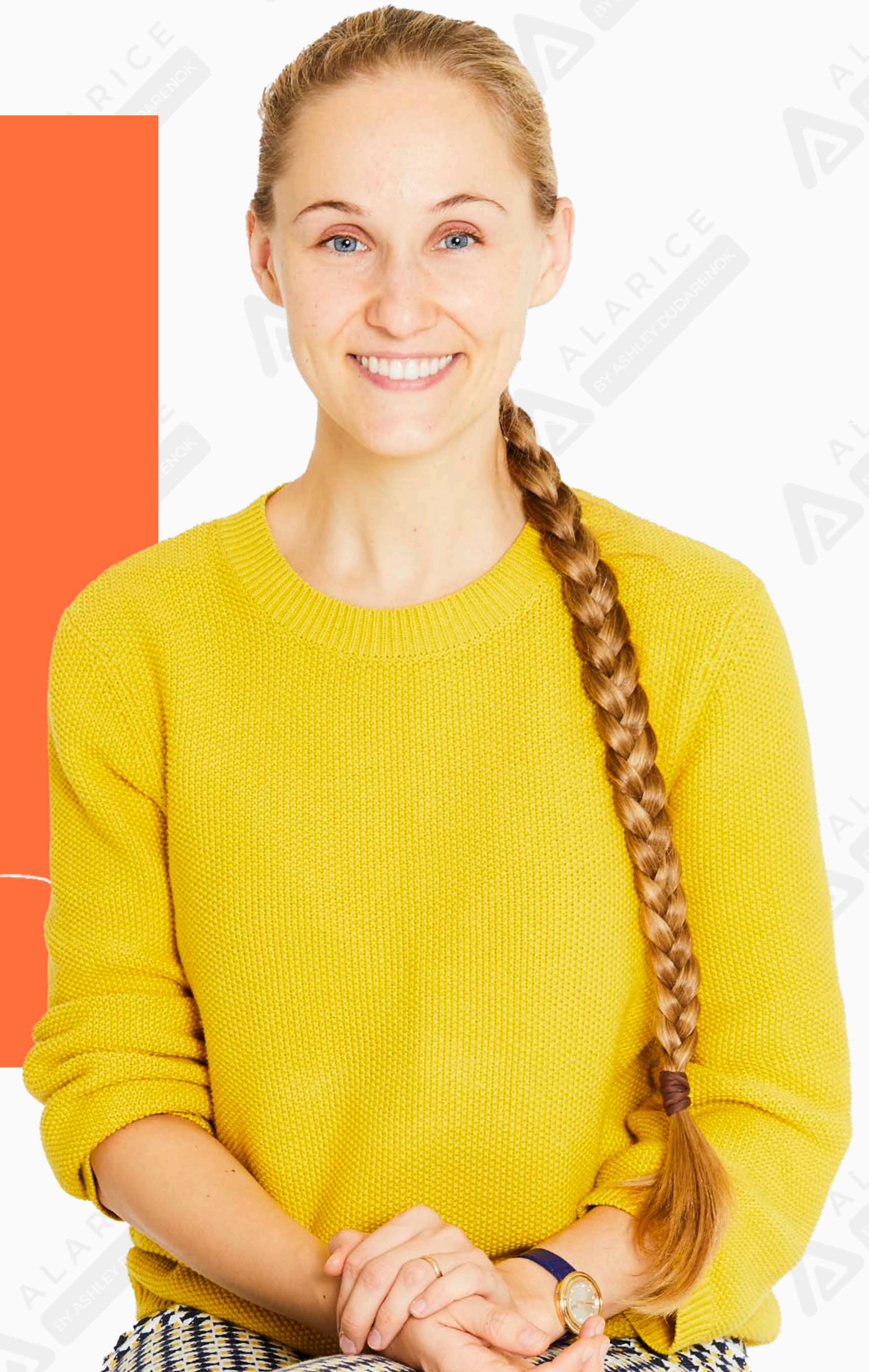
CONSON

HELLO!

Gen Zs are one of the most important consumer groups in China. Due to their natural digital savviness and rising purchasing power, they are the generation that is reshaping industry trends. They are the country's major internet user group: in order to capture their attention, brands need to keep up with their thriving online lives and understand their unique needs, preferences, and consumption behaviours. My team at ChoZan and I have compiled this report to present the latest insights on Gen Z consumers so our fellow China watchers and marketers can enter this exciting market in 2021 equipped. Let's go get them!

Ashley Galina Dudarenok

Founder, Alarice and ChoZan, LinkedIn Top Voice



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Born between 1995 and 2010, Gen Z consumers grew up under favourable economic conditions, having their lives **shaped by the technology of the 21st century** since childhood.

Often called Post-95s, Post-00s or Dotcom kids, they go by many names and are a **truly global generation**.

Young, **highly educated**, and full of ambition, Chinese Gen Z focus on experiences and have their own **distinctive personalities**.

They make up around **19% of the country's total population** and are **expected to account for 20% of the total spending growth in China from 2017 to 2030**.



OVERVIEW

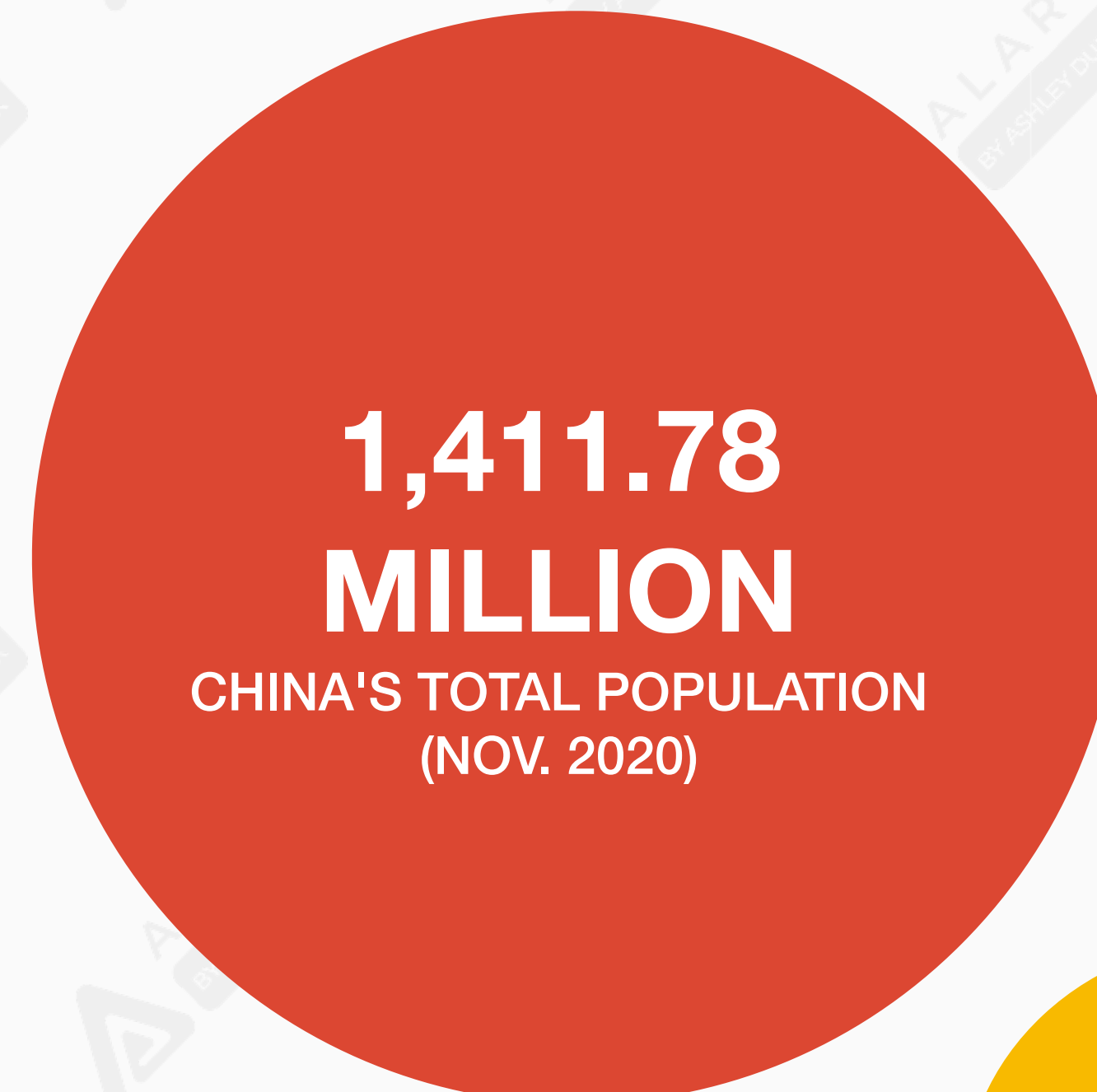
OVERVIEW

GEN Z DEMOGRAPHICS

According to data from the **7th National Popular Census** published by the National Bureau of Statistics, there are about **264 million Gen Z** in China, accounting for around **19% of the country's total population**.

Their expenditure has reached 4 trillion yuan, approximately 13% of China's total household expenditure, and their consumption growth rate is much higher than that of other age groups.

Gen Z is **the most educated generation** in China and a high **proportion lives in first-tier cities**.



Sources:
1) 7th National Popular Census of the PRC, May 11, 2021
2) QuestMobile 2020 Gen Z Insight Report

OVERVIEW

GEN Z, GEN Y, GEN X - GENERATION GAP

GEN X (1966-1980) 25% OF POPULATION

- More abundant material life and education level
- Experienced the great social changes brought about by the continuous development of science and technology
- Easy-going, and wealthy
- Pay more attention to brand experience and word of mouth

GEN Y (1981-1994) 22% OF POPULATION

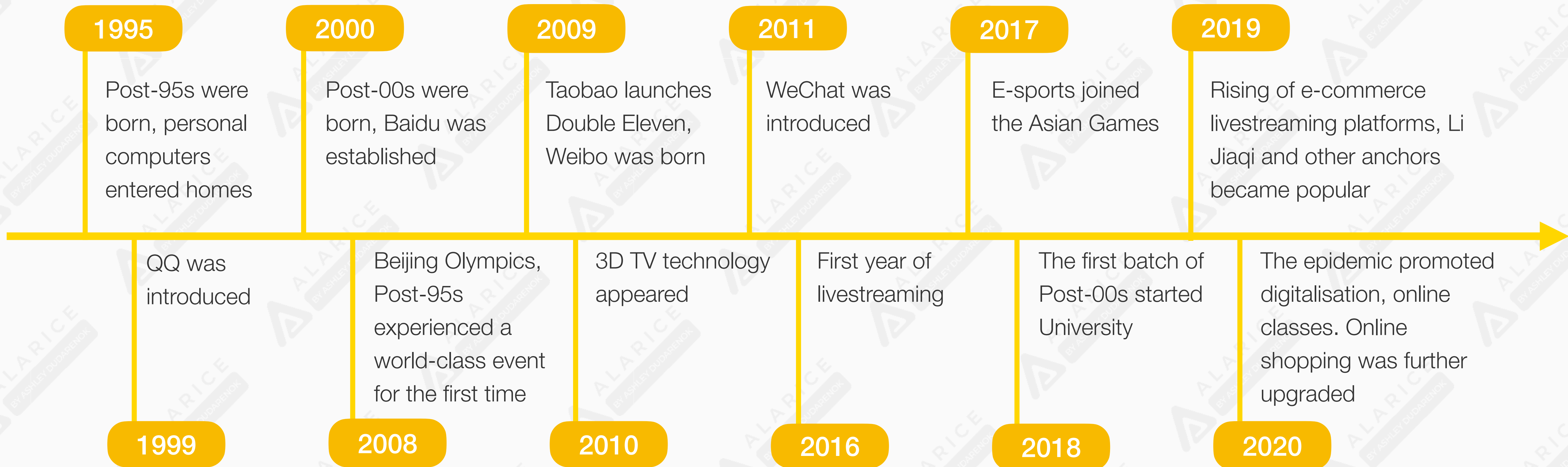
- Lived during the rapid development of personal computers and the Internet
- Significant demand for consumption upgrades
- Prefer niche consumption
- Confident, optimistic, persistent, straightforward, independent, and knowledgeable

GEN Z (1995-2010) 19% OF POPULATION

- Born with digital technology
- Mobile Internet and digital products are part of their daily lives
- Experienced the results of China's economic boom
- They have a material life, focus on experience, are characterised by distinctive personalities, and have self-esteem
- They are strong and willing to try all sorts of new things

OVERVIEW

GEN Z - FIRST GENERATION OF TRUE DIGITAL NATIVES

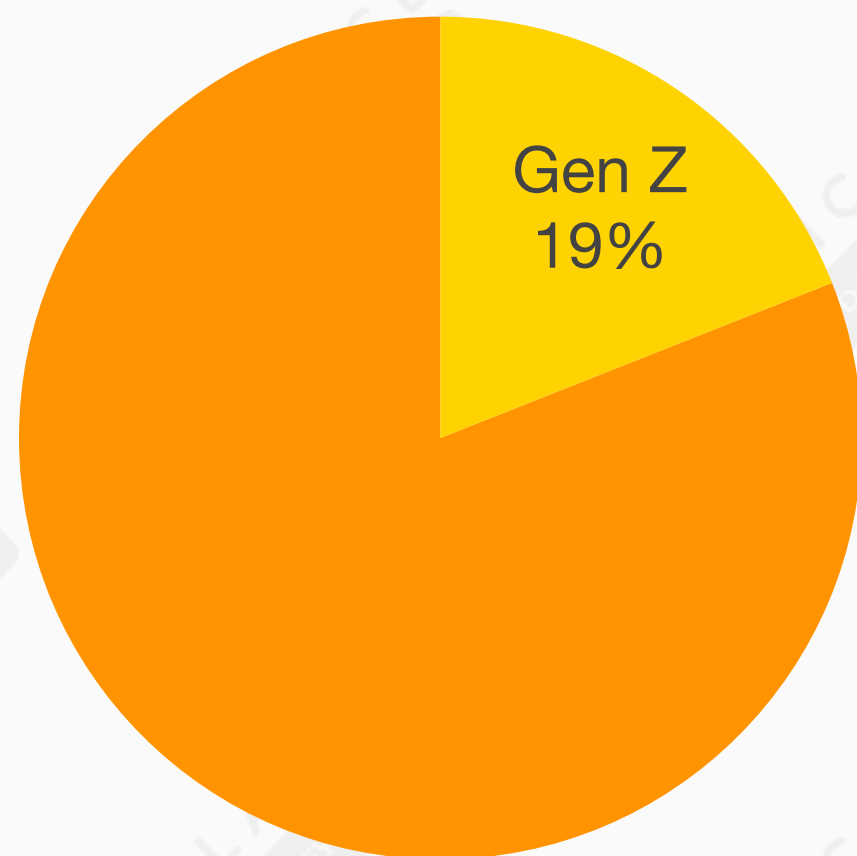


OVERVIEW

GEN Z SPENDING POWER

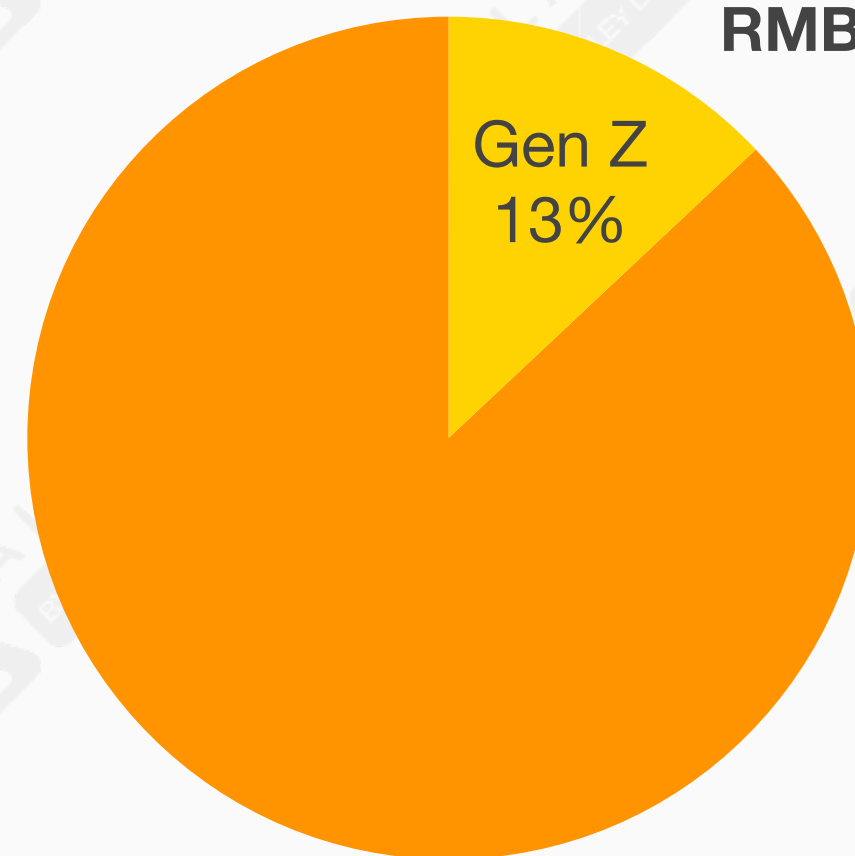
Due to their rising spending power, Gen Z represents the **next engine of domestic consumption growth**.

CHINA'S POPULATION



CHINA'S EXPENDITURE

4 TRILLION
RMB SPENDING



19% OF POPULATION

IN CHINA ARE GEN Z

51.3 THOUSAND

RMB SPENT YEARLY PER GEN Z

3501

AVERAGE MONTHLY DISPOSABLE INCOME

↑ 49.36%

THAN OTHER CHINESE CONSUMERS

Sources:

- 1) Tencent "In-depth Analysis of Gen Z and Future Marketing Trends", March 31, 2021
- 2) McKinsey China Consumer Report 2021
- 3) L Catterton Consumer Insights Report, Feb. 2021
- 4) Guotai Junan Securities, March 2021

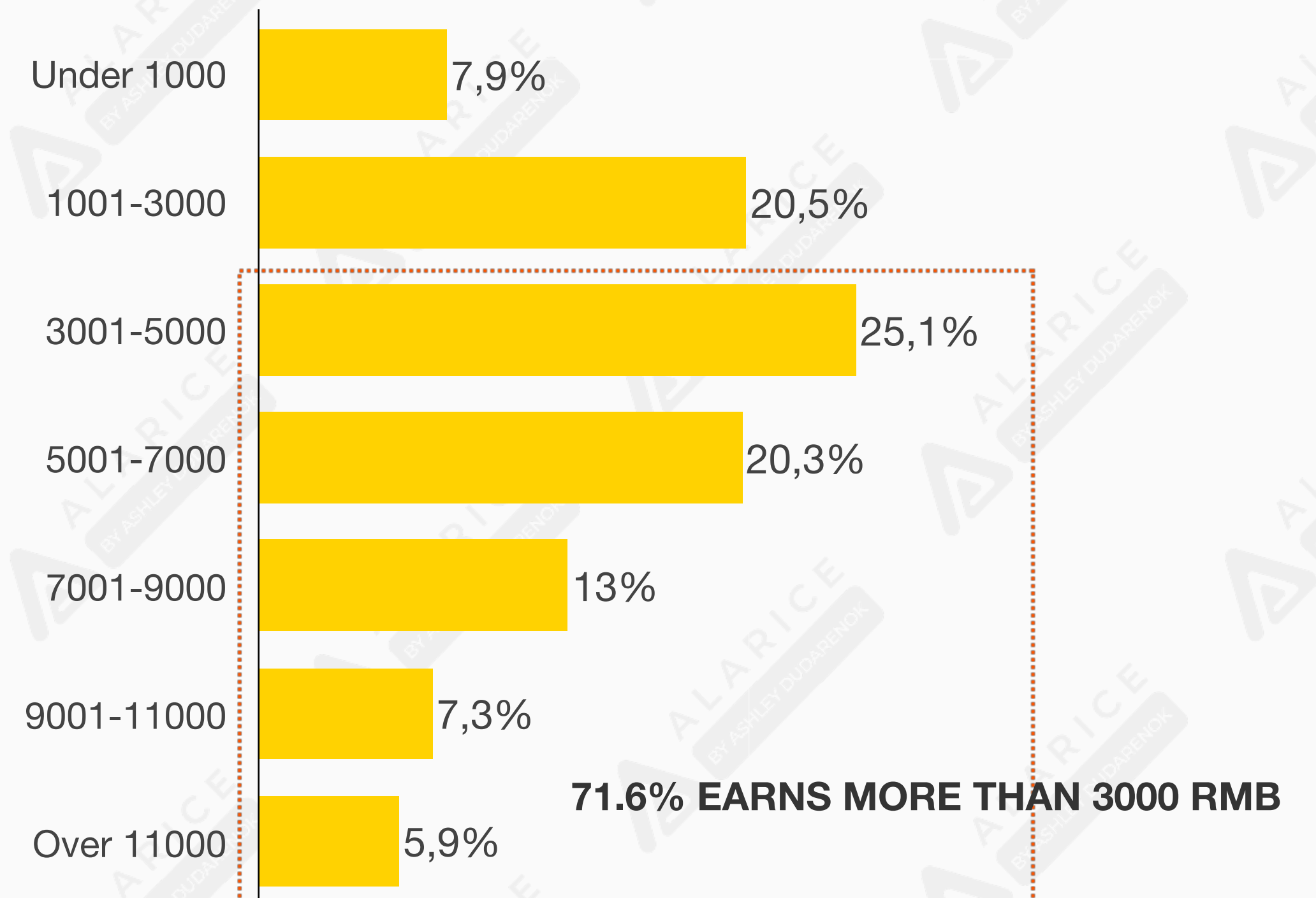
OVERVIEW

GEN Z SPENDING POWER

Gen Z are more carefree in terms of spending compared to other generations. With a higher disposable income, they live comfortable lives and are **self-reliant**.

According to a survey conducted by iResearch, **over 70% of Gen Z interviewed have a monthly disposable income of more than 3,000 yuan**, and their main source of revenue comes from themselves rather than from the assistance of their family.

GEN Z MONTHLY DISPOSABLE INCOME IN RMB (2020)

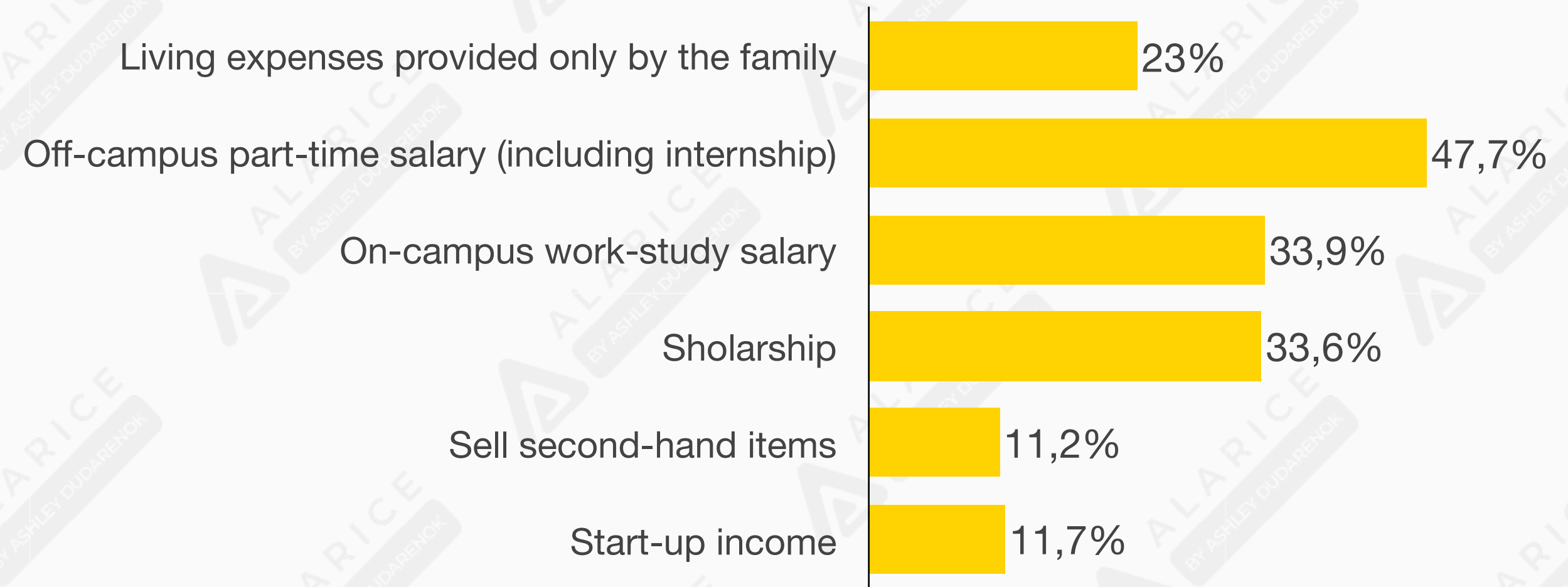


OVERVIEW

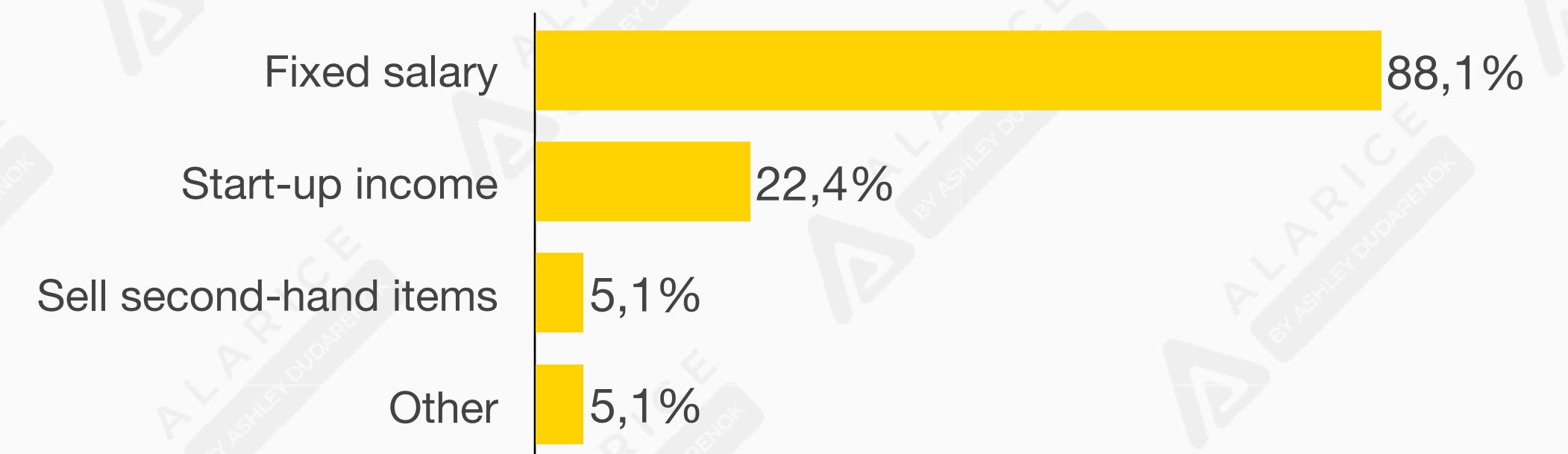
GEN Z SPENDING POWER

In the future, as Gen Z gradually enter society and the workplace, **they will further increase their income and impact the consumer market.**

SOURCES OF INCOME FOR GEN Z STUDENTS (2020)



SOURCES OF INCOME FOR GEN Z GRADUATES (2020)

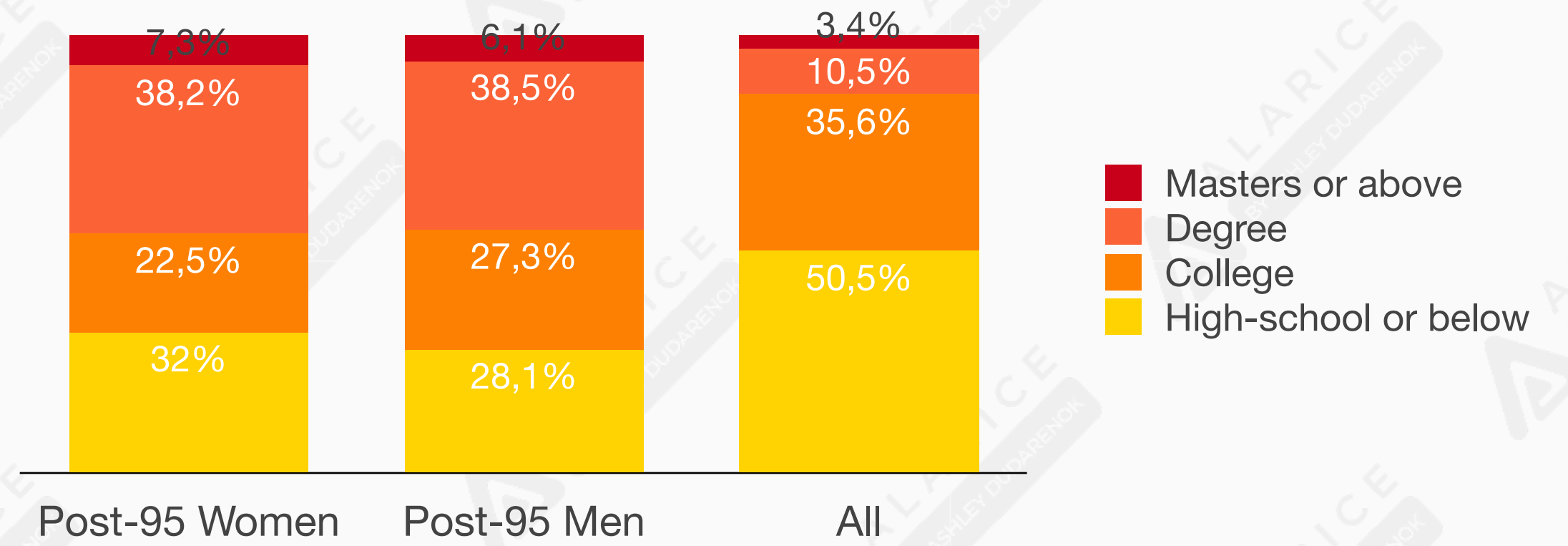


Sources:
 1) iResearch 2021 Gen Z Beauty and Skincare Consumption Insights Report
 2) Guotai Junan Securities, March 2021

OVERVIEW

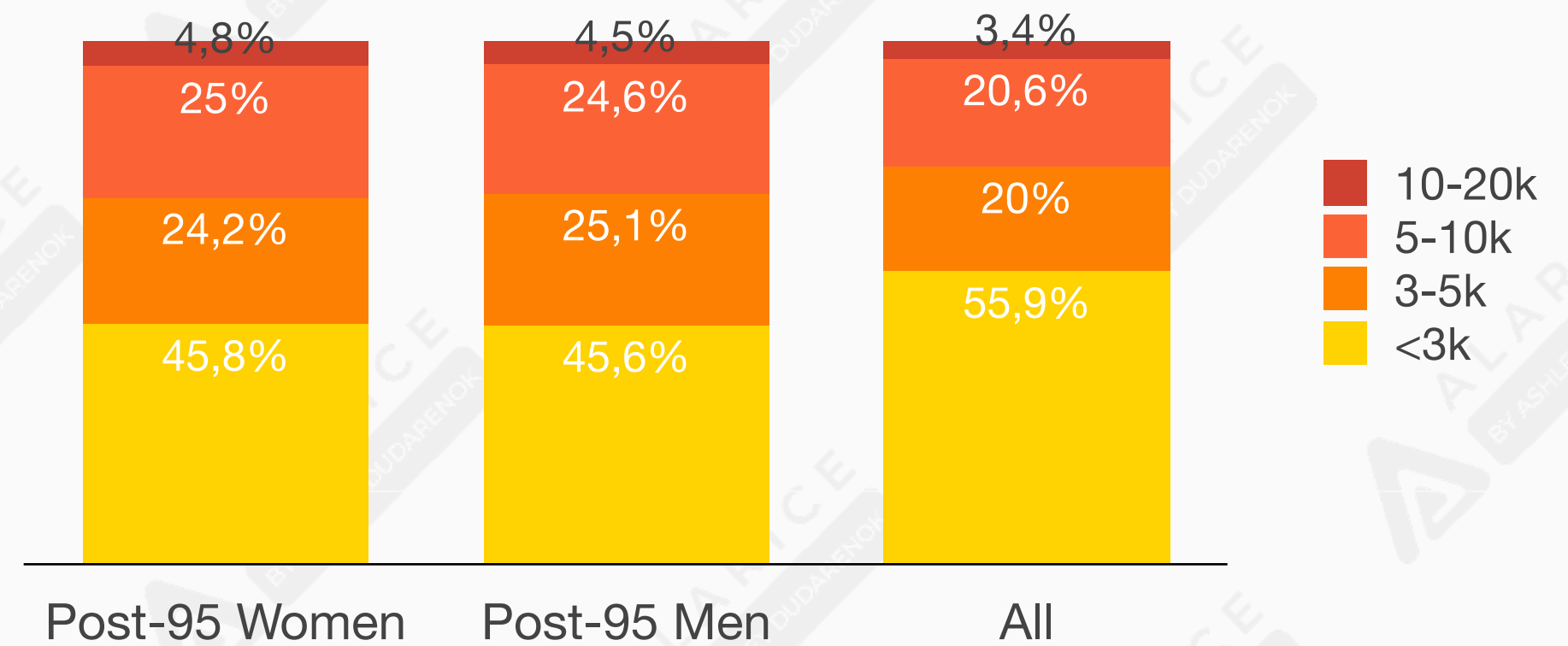
GEN Z EDUCATION AND INCOME

EDUCATION BACKGROUND OF CHINESE NETIZENS



Post-95 women have a **higher education background and monthly income** compared to other Chinese netizens.

MONTHLY INCOME OF CHINESE NETIZENS (IN RMB)

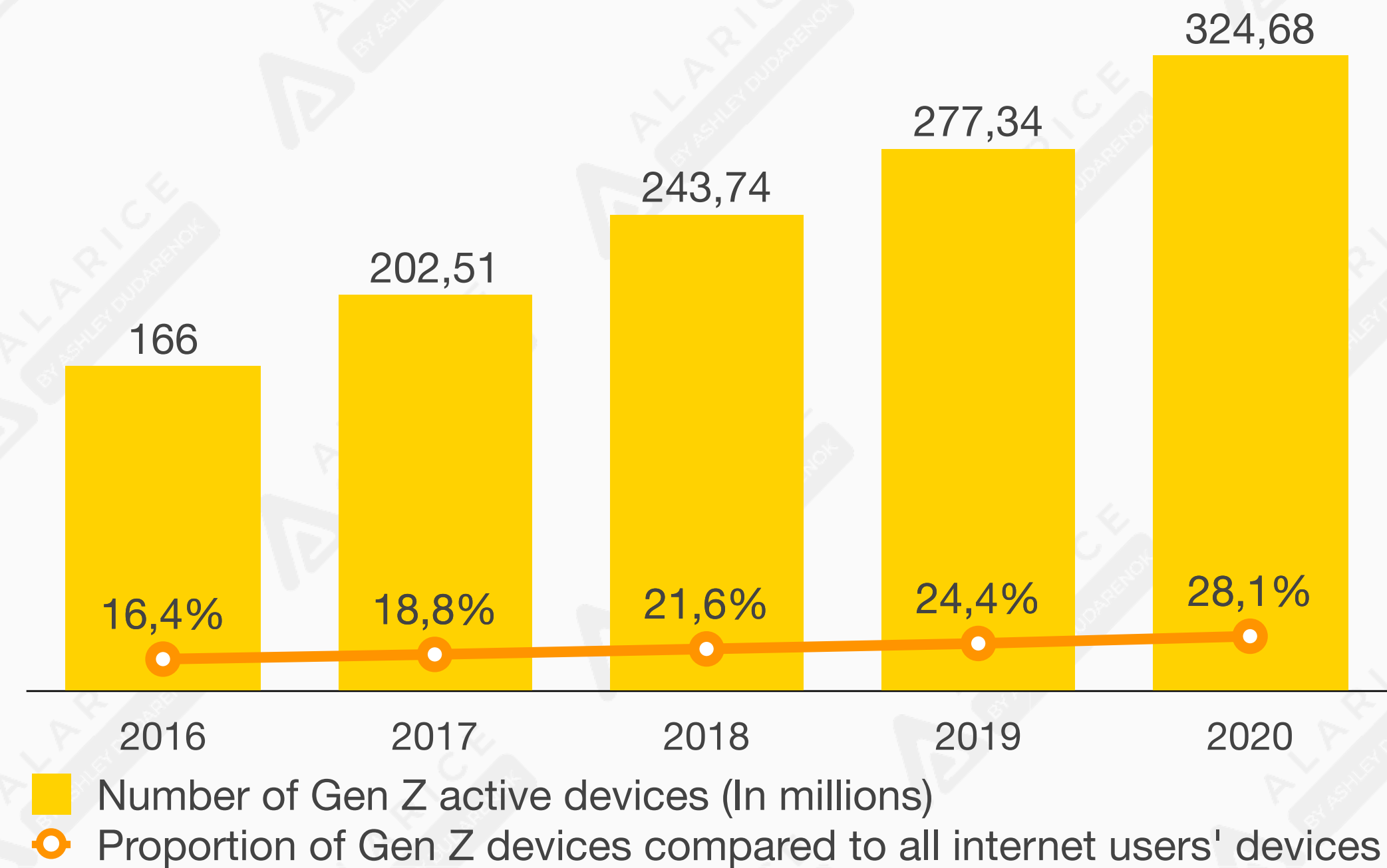


OVERVIEW

GEN Z INTERNET USAGE

THE NUMBER AND PROPORTION OF GEN Z ACTIVE INTERNET DEVICES (2016-2020)

Gen Z is one of the **fastest growing internet user groups**.

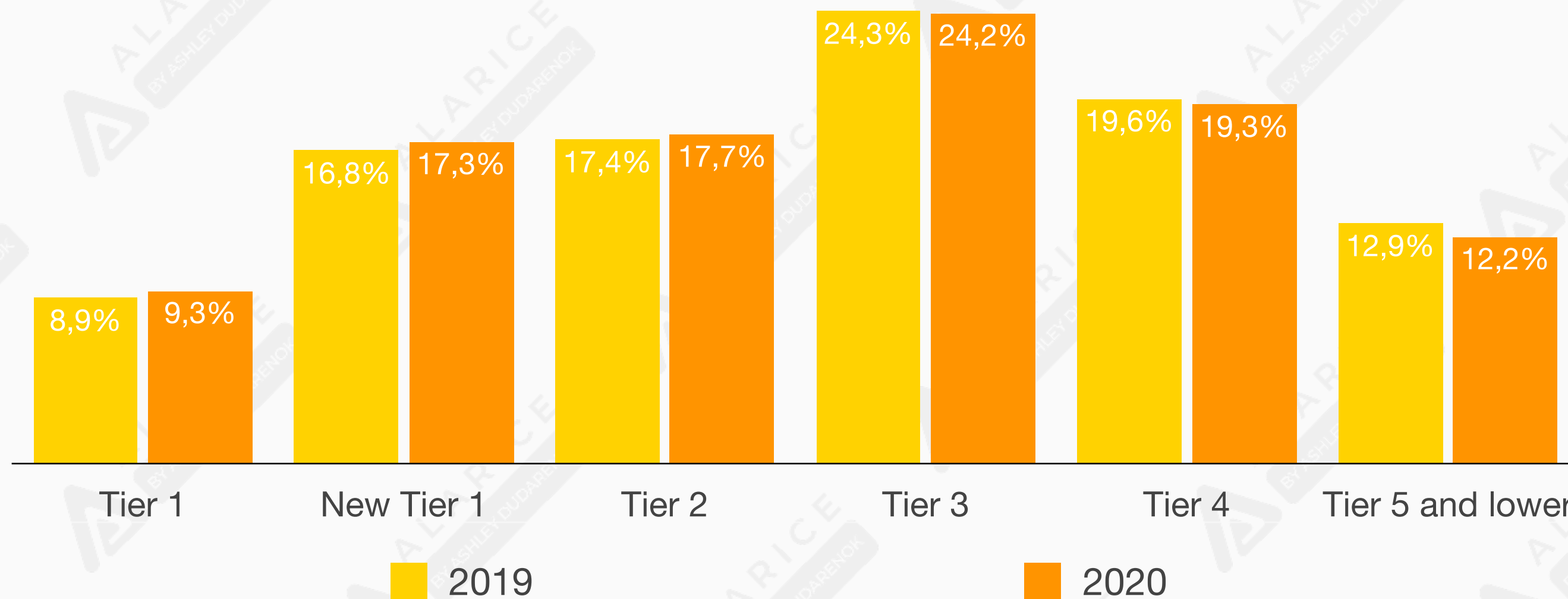


OVERVIEW

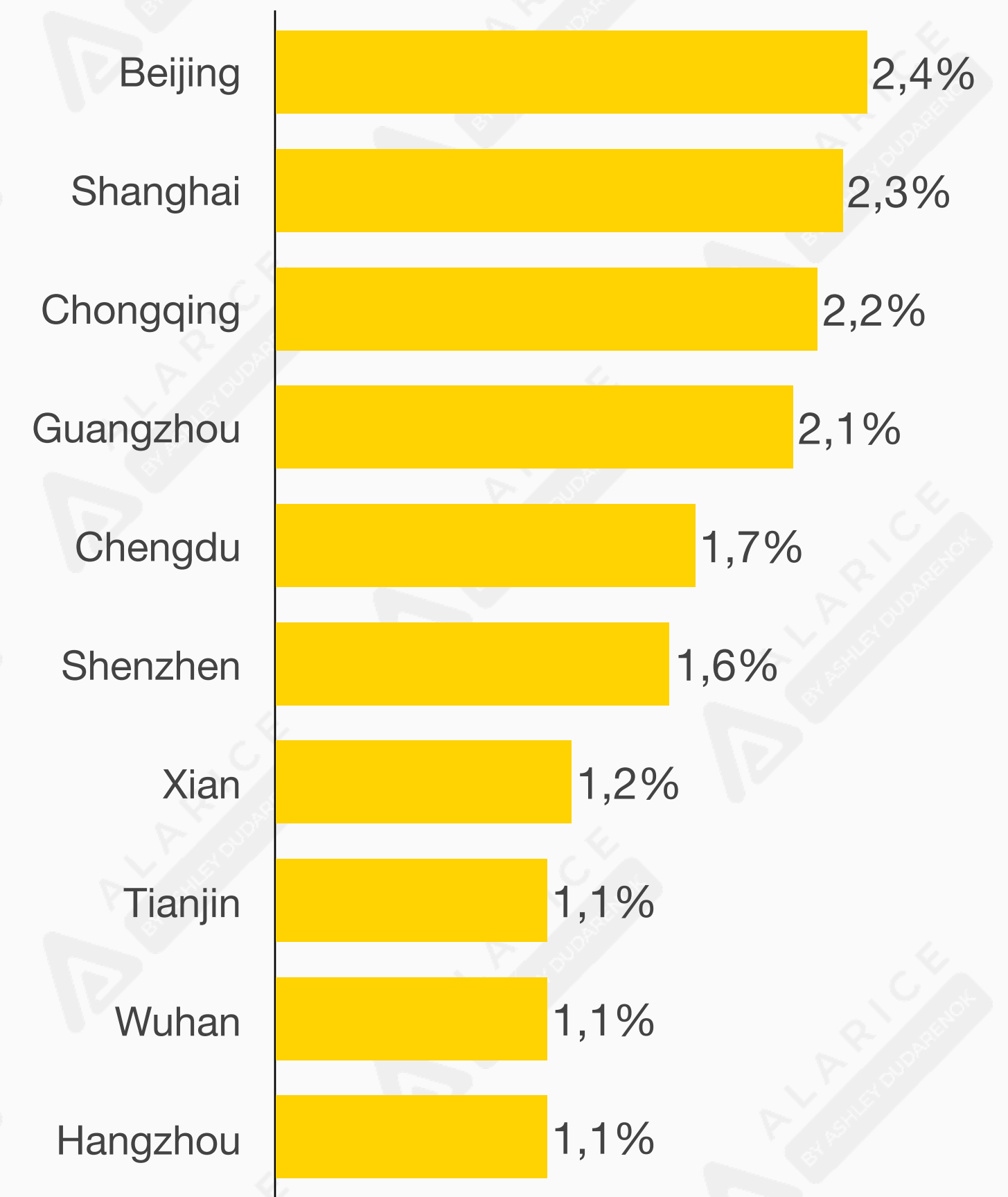
GEN Z INTERNET USAGE

While a lot of Gen Z e-commerce and social media users are in Tier 1 cities, the rapid change in science and technology has resulted in an increase of users in lower tier cities.

RATIO OF GEN Z MOBILE INTERNET USERS BY CITY TIER (NOVEMBER 2020)



TOP 10 CITIES FOR POST-90S USERS (JULY 2020)



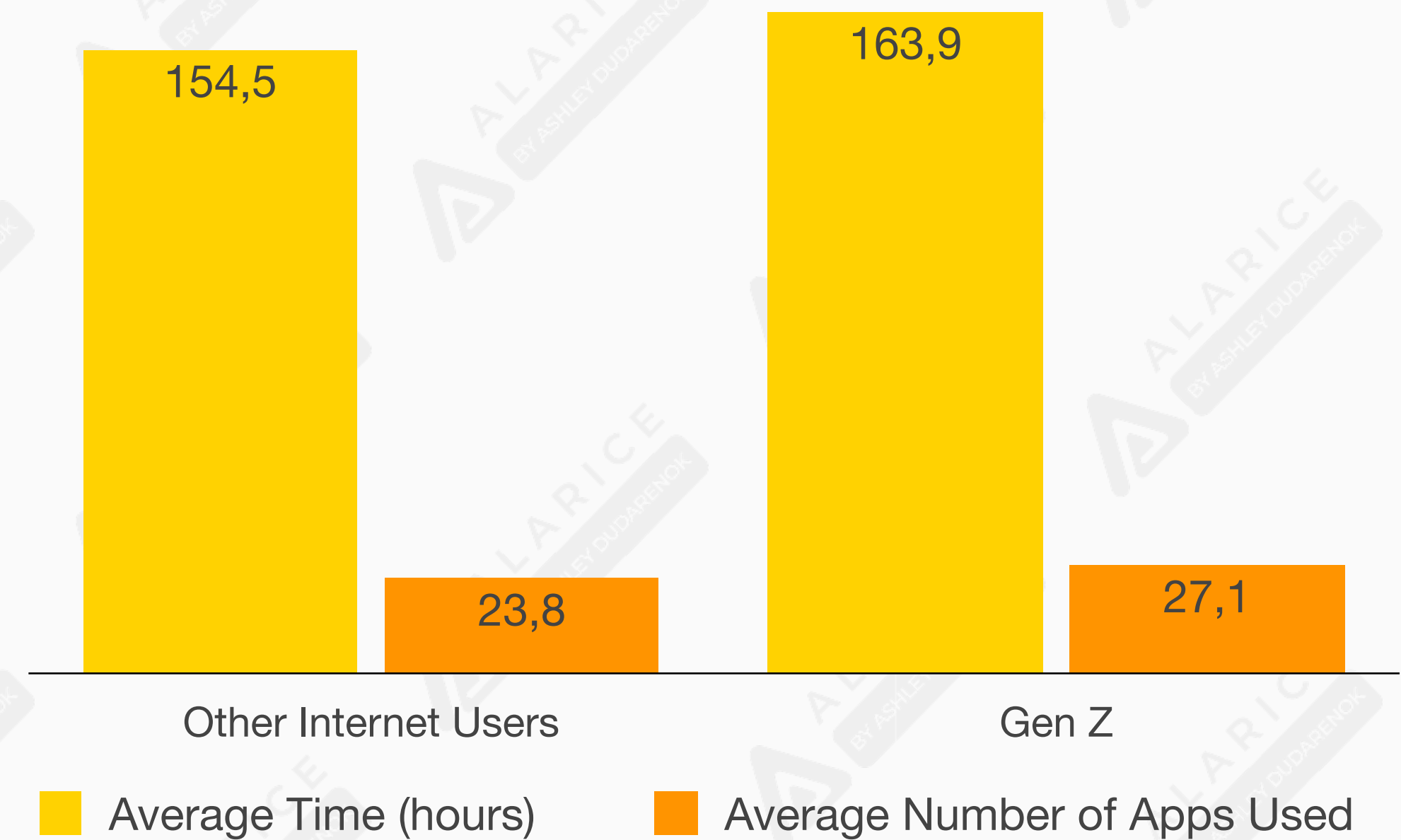
OVERVIEW

GEN Z INTERNET USAGE

Gen Z are some of the **most active internet users**:

- **320 million monthly active devices** as of November 2020, accounting for 28.1% of all mobile internet users
- An average of **163.9 hours per month** spent on mobile internet
- A typical Gen Z uses mobile internet for **5.46 hours a day**.

AVERAGE MONTHLY INTERNET USAGE OF GEN Z (JUNE 2021)



Sources:

1) QuestMobile China Mobile Internet 2021 Semi-Annual Report

2) Tencent "In-depth Analysis of Gen Z and Future Marketing Trends", March 31, 2021

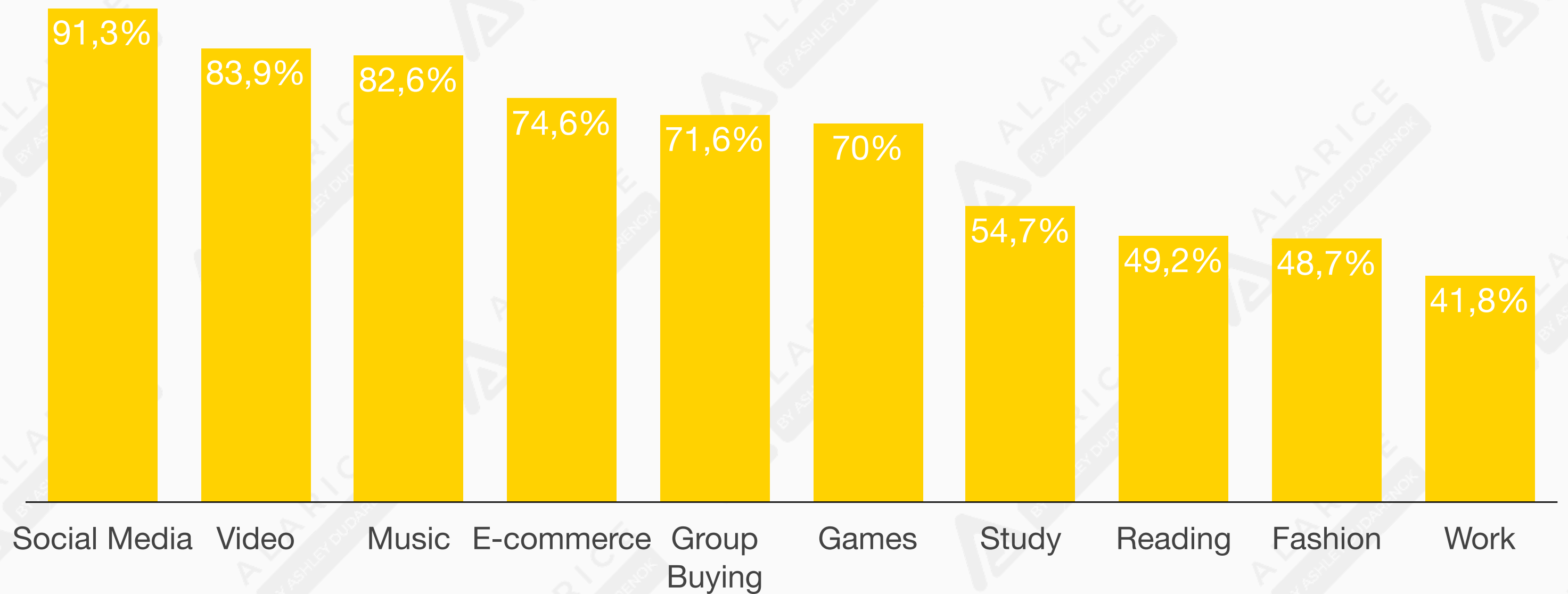
3) eMarketer "The kids are online: Mobile Internet use in China across Generations", Feb. 2021

OVERVIEW

GEN Z INTERNET USAGE

They have a **wide range of hobbies**, especially related to social media, entertainment and shopping. That's the reason why it is possible to find them everywhere online.

GEN Z TOP 10 INTERNET INTERESTS AND PREFERENCES (JUNE 2021)



Sources:

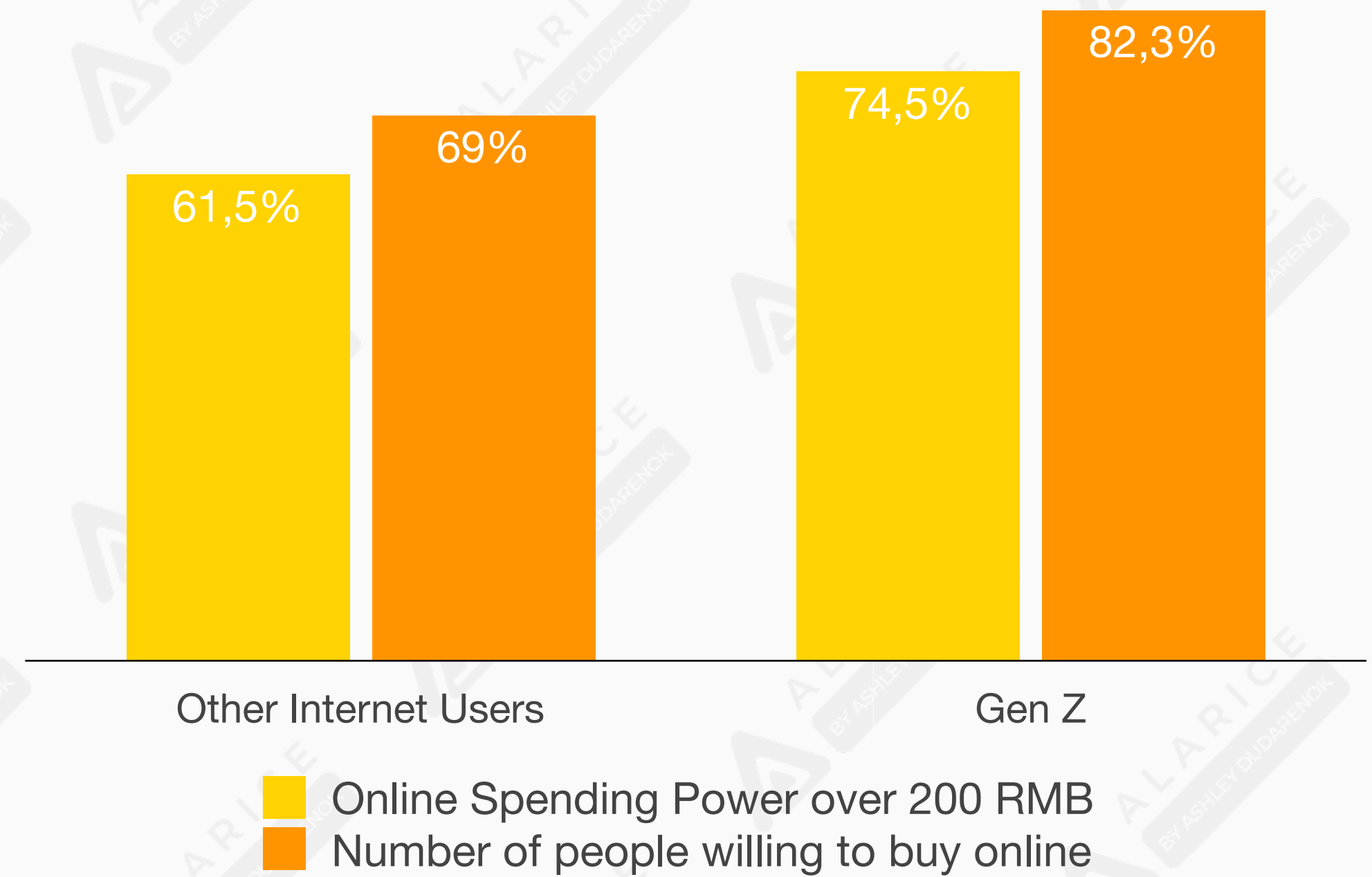
- 1) QuestMobile China Mobile Internet 2021 Semi-Annual Report
- 2) Tencent "Eight Major Trends, Insiders into New Consumer Brands' Strategy", April 26, 2021
- 3) Kantar "How can creativity win Gen Z and low-tier city consumers", April 16, 2021

OVERVIEW

GEN Z INTERNET USAGE

Gen Z **online spending power and willingness to buy** is also much higher compared to other netizens.

GEN Z ONLINE SPENDING BEHAVIOUR (NOVEMBER 2020)



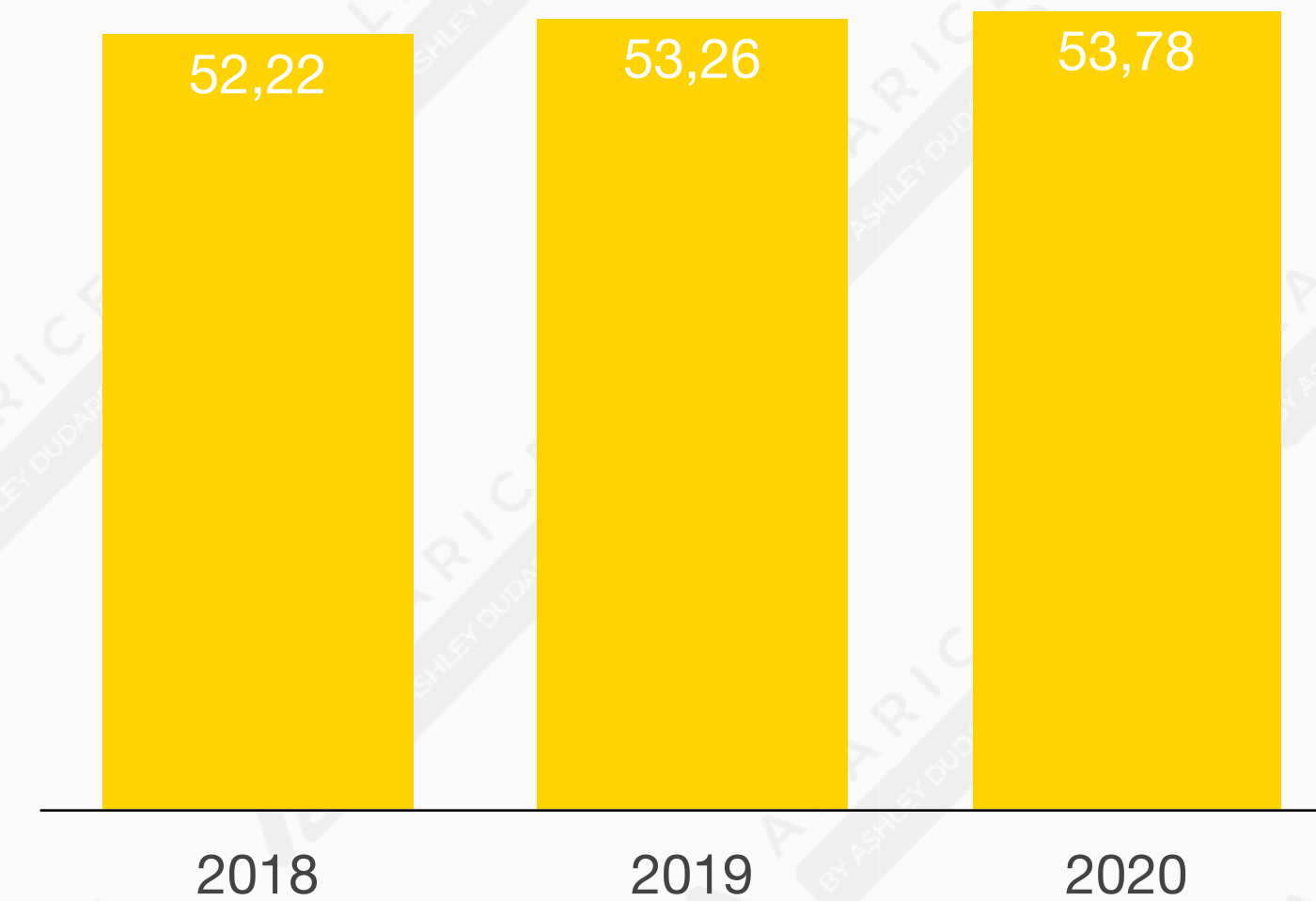
OVERVIEW

GEN Z WOMEN INTERNET USAGE

53.78 million is the number of **Post-95 female monthly active users**. Gen Z women are gradually stepping out of higher education and entering society and the workforce.

The Untamed
 G.E.M May Day
 Yang Mi Jay Zhou Li Xian
 Go Go Squid!
 SHE Hua Chenyu

**POST-95 FEMALE MONTHLY ACTIVE USERS (IN MILLIONS)
(2018-2020)**

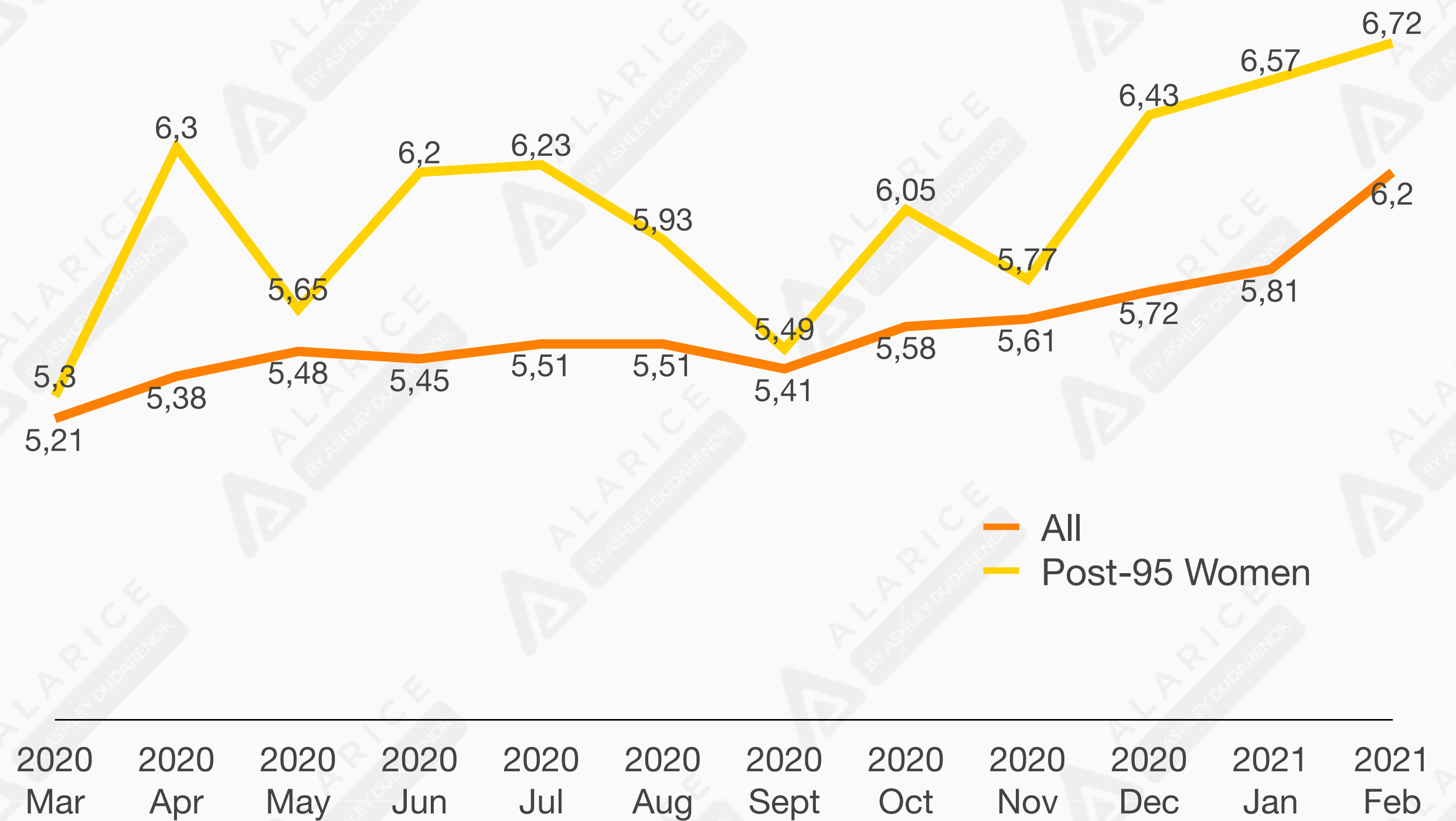


OVERVIEW

GEN Z WOMEN INTERNET USAGE

Post-95 women have a **higher internet usage** among other netizens with an **average of 6.7 hours per day**.

CHINESE NETIZENS DAILY INTERNET USAGE (HOURS)



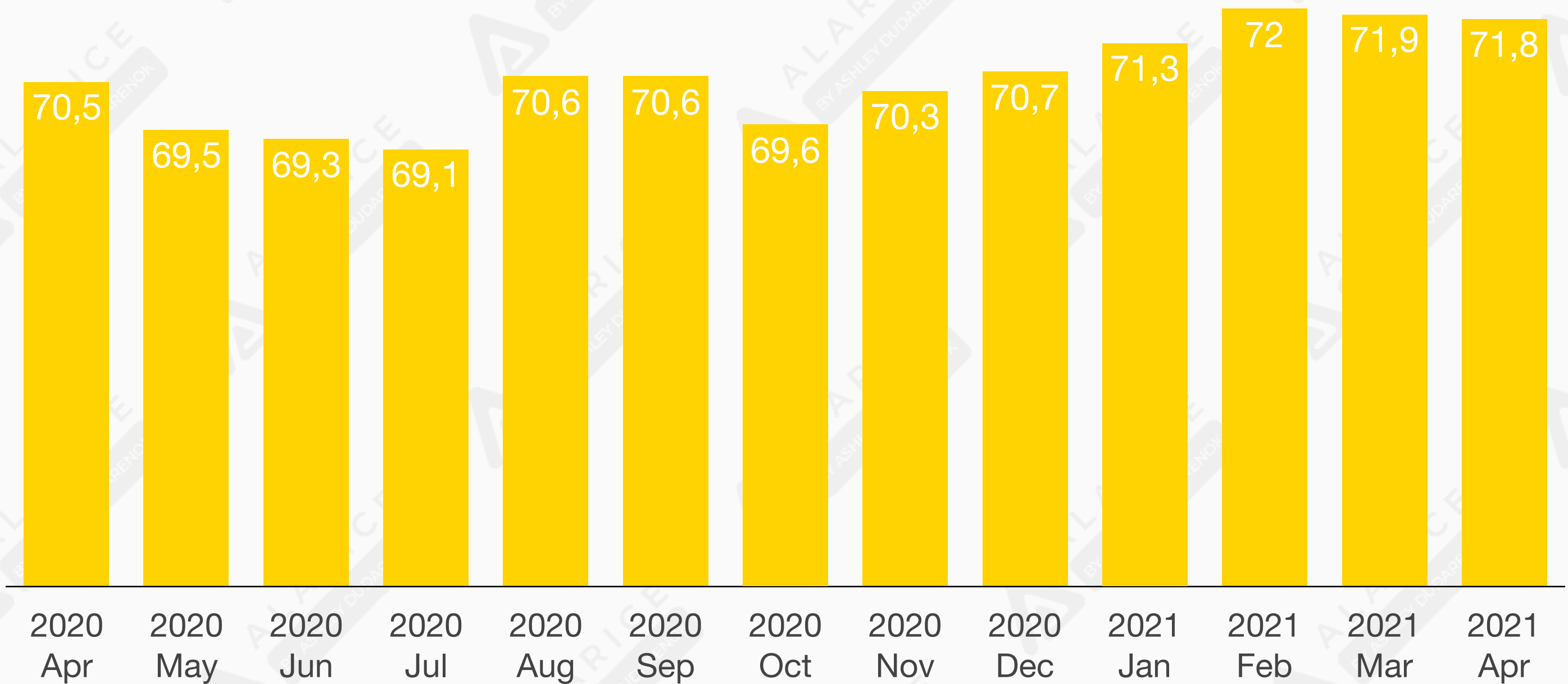
OVERVIEW

GEN Z MEN INTERNET USAGE

The number of **Post-95 male mobile internet active users exceeded 70 million.**

They are important participants and a rising force in the online landscape.

POST-95 MALE NETIZENS USER SCALE (IN MILLIONS)



EXPERT BITES

Q: WHAT CONSUMPTION GROUPS DO YOU ADVISE MARKETERS TO MONITOR IN 2021?

Generation Z, i.e. young Chinese born after 1995, are the most influential consumers in the luxury sector. Growing up with the internet and social media, young people are the ones who are pushing brand digitization the most. **Gen Z seek limited, customizable collections and carefully choose the brands they trust.** They prefer sustainable brands and second-hand products. They expect brands to have specific goals and to take a political stance. However, young Chinese people are very patriotic and tend to support local brands.

By 2030, this consumer segment is expected to occupy the highest level of luxury shopping, not only in China but globally. A successful strategy for attracting Gen Z consumers must include social media and livestreaming.



ALBERTO ANTINUCCI
Digital Innovation Strategist
and China Expert

EXPERT BITES

Q: WHAT CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW? ARE THEY SAVING OR SPENDING?

The post-90s and post-00s. **As post-90s become the backbone of the labor force with stable incomes and the post-00s enter the workplace, the new generations show substantial purchasing power.**

According to a report by the Research Institute of the Ministry of Commerce, post-90s accounted for nearly 50% of tourism consumers. Among Chinese catering consumers, those born after 1990 and 1995 account for 51.4%.

The young generations are more individualistic and open-minded in their consumption, but they also know how to manage their income reasonably.

For example, they save money with Yue Bao, Ant Financial's online spare money management platform. Also, more Chinese young people have engaged in purchasing funds for financial management and investment.



SHINE HU

ChemLinked
Market Research Analyst

EXPERT BITES

Q: WHAT CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW?

Gen Z. At first I thought it might be Millennials, but then it occurred to me that **as a Millennial, I'm not a generous spender because at our age, we have to start being really independent and not ask for money from our parents.** For Gen Z, most of them are still students, which means that it's okay to have parental financial support. Gen Z is also a generation that actively obtains information online and formed a habit of online shopping at an early age. **They know what they like, and they're very willing to pay for it. If there's something that can help them stand out among their peers, they'd love to get it.**



KEJIE YI

Content Manager at
China Marketing Insights

EXPERT BITES

Q: WHAT CONSUMER GROUPS, IN YOUR VIEW, HAVE THE MOST SPENDING POWER RIGHT NOW? ARE THEY SAVING OR SPENDING?

With sales of luxury goods in China doubling in 2020, 2021 is expected to see 30% growth. **Millennials dominate the luxury fashion and lifestyle market (currently 70%), with Gen Z consumers becoming the fastest growing group** when it comes to seeking designer editions and cross-brand collabs. It's no longer about Covid-19 revenge-spending, and **these key segments will continue to spend rather than save as consumer optimism continues to grow in China.**



MICHELLE CASTILLO

Director of Content and Insights
at Nuguru Wellness

EXPERT BITES

Q: WHAT CONSUMER GROUPS IN YOUR VIEW HAVE THE MOST SPENDING POWER RIGHT NOW?

China's Gen Z. They are the engine of China's booming luxury economy with 13% of household income discretionary, versus just 4% in the US and Britain. They carry high personal debt with confidence and see the fruits of consumption as part of their unique identity and source of recognition.



JOSH GARDNER
CEO of Kung Fu Data

CONSUMER INSIGHTS

UNDERSTANDING GEN Z

CONSUMER INSIGHTS

GEN Z PERSONALITIES



Gen Z has the rooted idea that **everyone is unique and their uniqueness should be accepted**. This idea is reflected in their consumer behaviours with a strong demand in personalised, unique, and cool products that can highlight their distinctive personalities.



Sources:

1) iResearch 2021 Gen Z Beauty and Skincare Consumption Insights Report

2) Guotai Junan Securities, March 2021

CONSUMER INSIGHTS

GEN Z HOBBIES

This attitude to see everyone as unique and different is reflected in their **willingness to pay for hobbies that bring them joy and satisfaction**, and that directly express the value of the "self".

On average, each Gen Z individual has **1.7 circles of interest which they feel strongly attached to** and are willing to participate in related relevant activities.



Sources:

1) Tencent "Eight Major Trends, Insiders into New Consumer Brands' Strategy", April 26, 2021

2) Kantar "How can creativity win Gen Z and low-tier city consumers", April 16, 2021

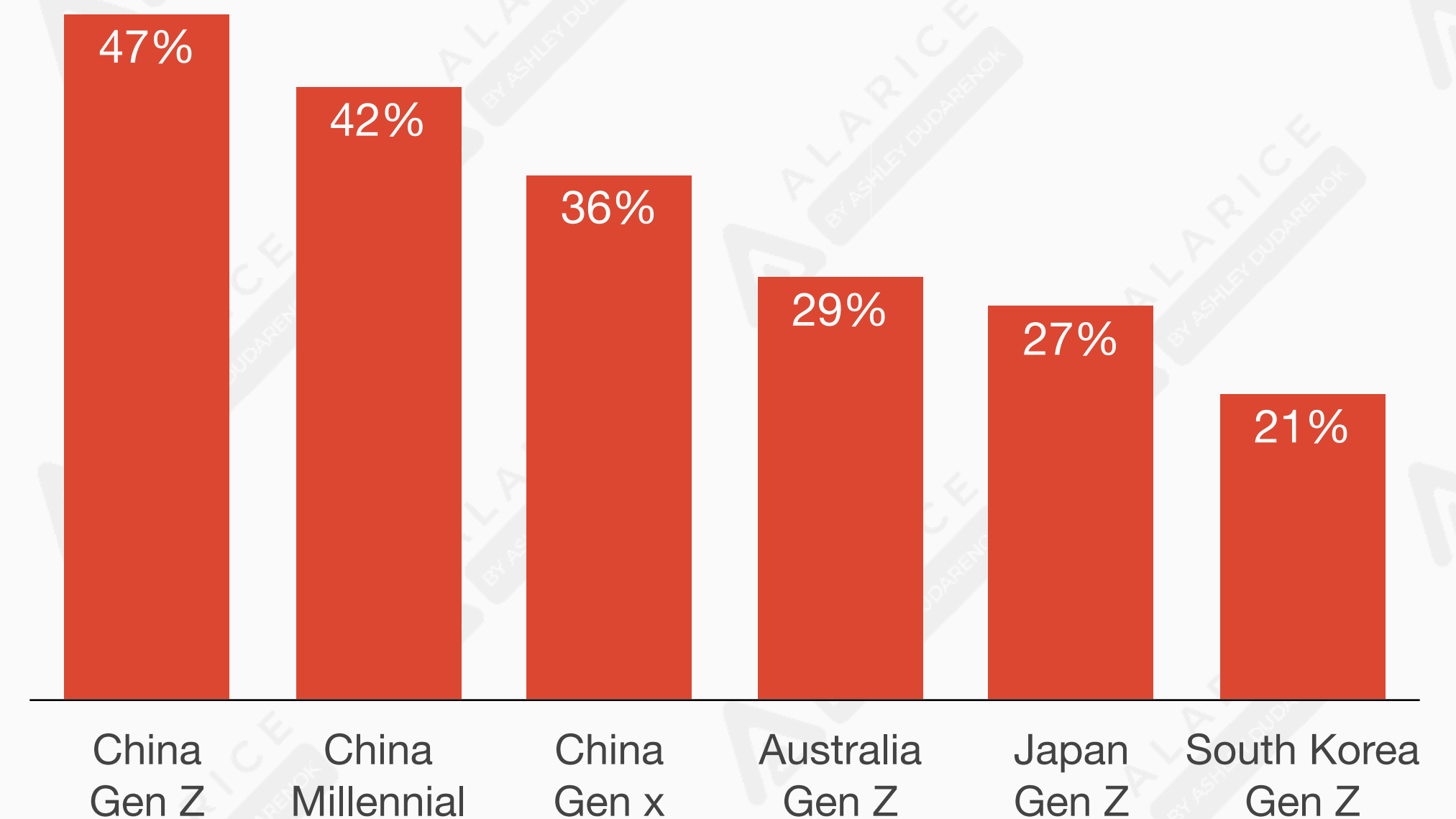
CONSUMER INSIGHTS

GEN Z SHOPPING ATTITUDES

For many Gen Z, shopping is a part of their daily life as they grew up in a society where shopping is seen both as a hobby and entertainment.

As a result, they are the **most spontaneous consumer group** in China: according to McKinsey China Consumer Report 2021, 47% of people interviewed said they are likely to buy products "on the go". They are also optimistic, impulsive, and tend to outspend their budget.

PERCENTAGE OF PEOPLE WHO ARE LIKELY TO BUY PRODUCTS ON THE GO



Sources:

- 1) [Emerging Communications Complete Guide to Chinese Gen Z Part 1](#)
- 2) [McKinsey China Consumer Report 2021](#)

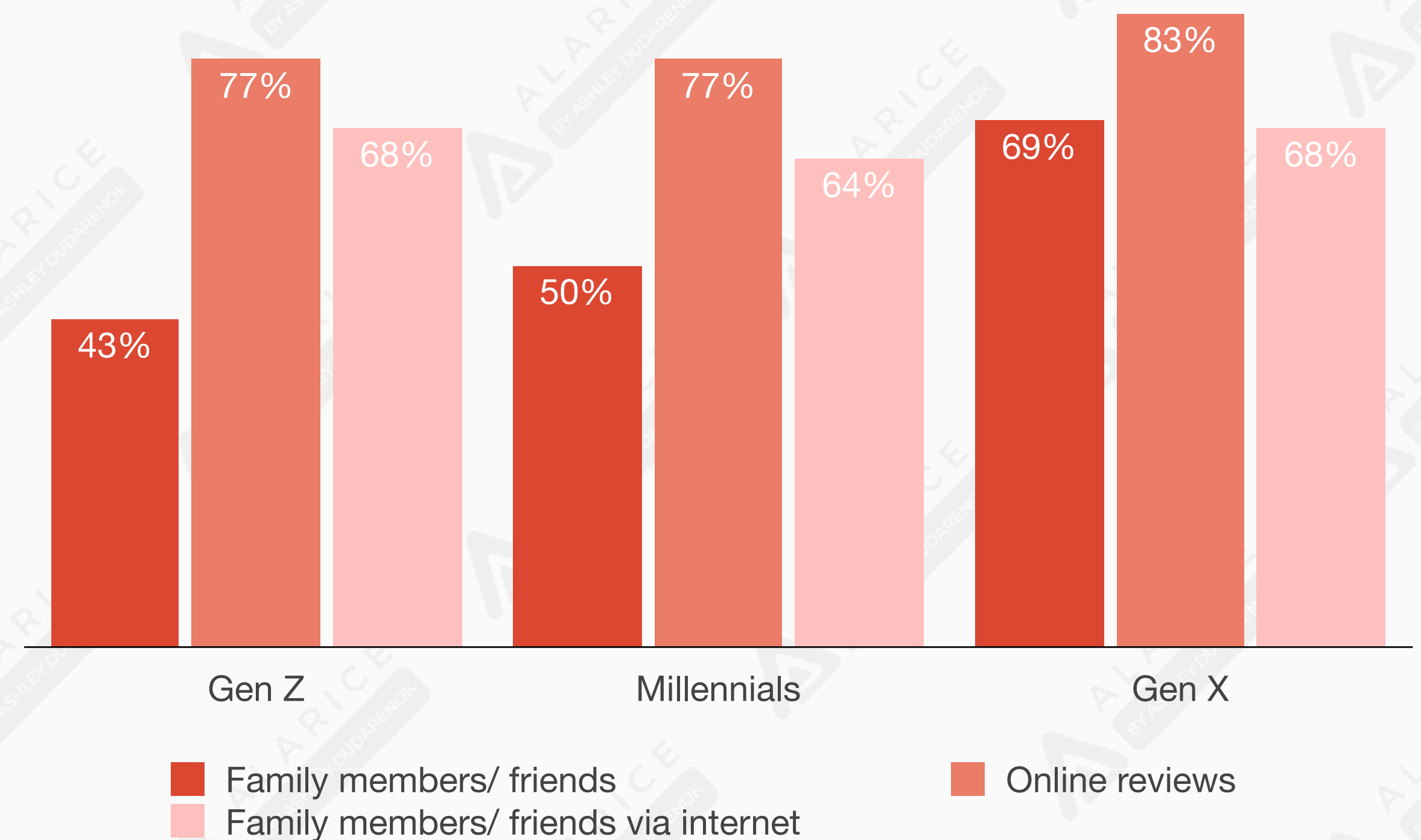
CONSUMER INSIGHTS

GEN Z SHOPPING ATTITUDES

Word of mouth, especially online, is the most influential factor for purchasing decisions: online reviews on Taobao, Tmall, RED, or apps like Dianping, Meituan, with reviews, discussion forums and group buying options, are very popular among Gen Z.

Other powerful sources for product recommendations include **brands' official accounts, bloggers, online influencers and KOLs**. Compared to Millennials and Gen X, Gen Z value those information sources much more.

IMPORTANCE OF WORD-OF-MOUTH MARKETING THROUGH PEOPLE/ ONLINE REVIEWS AMONG AGE GROUPS



CONSUMER INSIGHTS

GEN Z SHOPPING ATTITUDES

In terms of shopping behaviours, many Gen Z are **willing to spend on their interests and entertainment**. People who have the same hobby, like ACGN (Animation, Comics, Games and Short Novels) and fandom groups get together in large and small circles.

Consumption for IDOLS is a major feature of Gen Z: it is considered in the same way as shopping for a hobby. Young consumers, and their purchase decisions are mostly influenced by their idols and KOLs. For instance, they want to have the same T-shirt that their idol wears.

Apart from their favourite idols, to follow their hobbies Gen Z will also pay for niche clothing and internet celebrities.

40 BILLION RMB
OF IDOL CONSUMPTION BY GEN Z IN 2018

+70%
OF GEN Z WILL SPEND FOR THEIR IDOLS

+30%
OF GEN Z WILL SPEND UNDER THE INFLUENCE OF KOLS/ IDOLS

CONSUMER INSIGHTS

GEN Z SHOPPING ATTITUDES

Gen Z place a lot of importance on the appearance, quality and design of products. This is one of the reasons why cake shops made famous by Internet celebrities, restaurants, and the so-called “instagram style” gained popularity in recent years. Attractive product design was also listed as one of the top 5 buying factors of small electronics appliances.

This shouldn't be mistaken for superficiality: access to unlimited information, made possible by modern information technology, naturally resulted in an **improved sense of aesthetics.**

DESIGN

QUALITY

APPEARANCE

Sources:

- 1) Tencent "In-depth Analysis of Gen Z and Future Marketing Trends", March 31, 2021
- 2) Guotai Junan Securities, March 2021

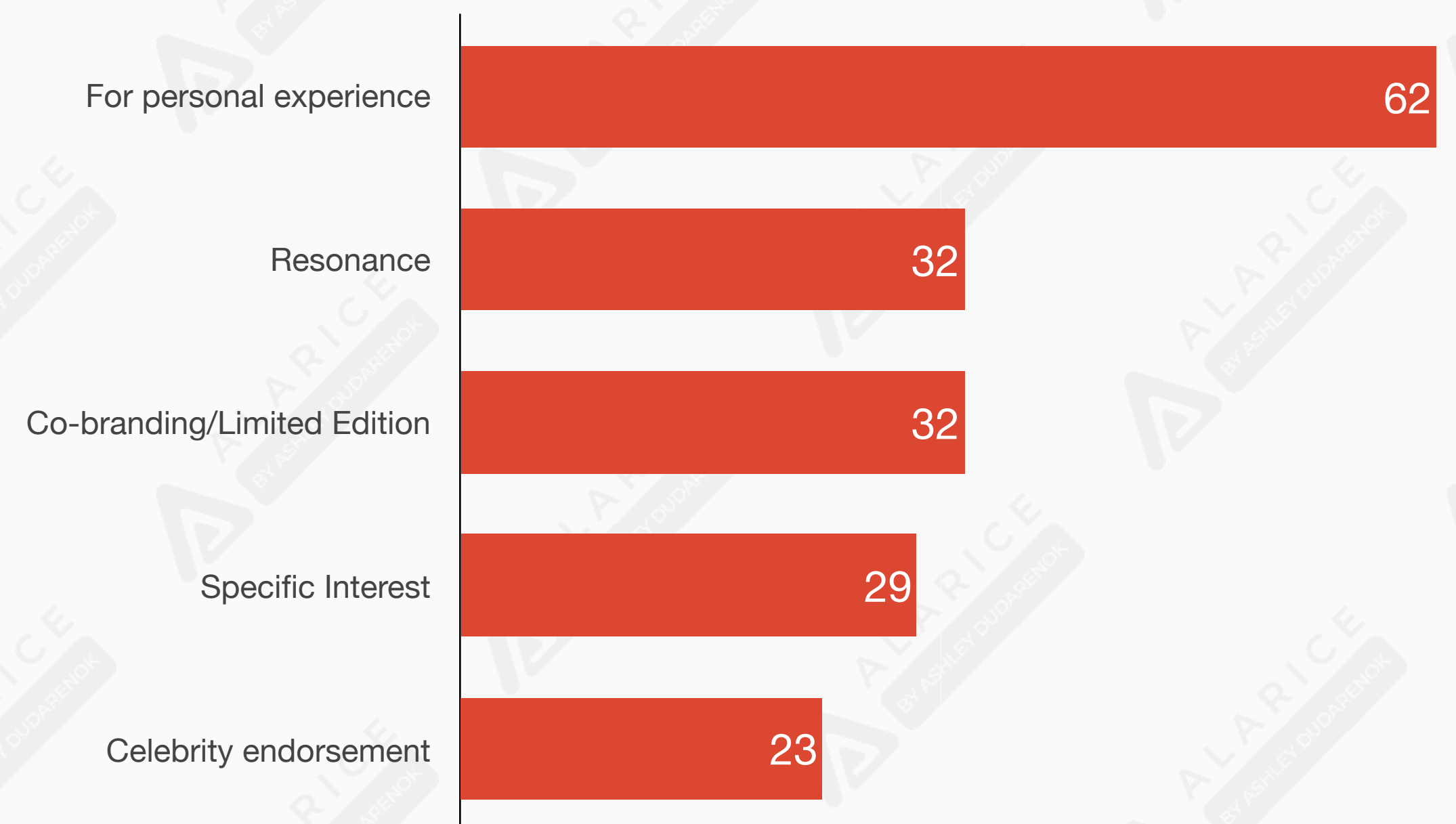
CONSUMER INSIGHTS

GEN Z SHOPPING ATTITUDES

But Gen Zs do not only look for product quality. In fact, **they also give importance to consumer experience**: compared to other consumer groups, they are more willing to pay for the pleasure of experiences.

Blind boxes, for example, have gained the love of many Gen Z users, as they make the buying process an interesting and exciting experience.

TOP 5 PURCHASING MOTIVATIONS IN PERCENTAGE (DECEMBER 2020)

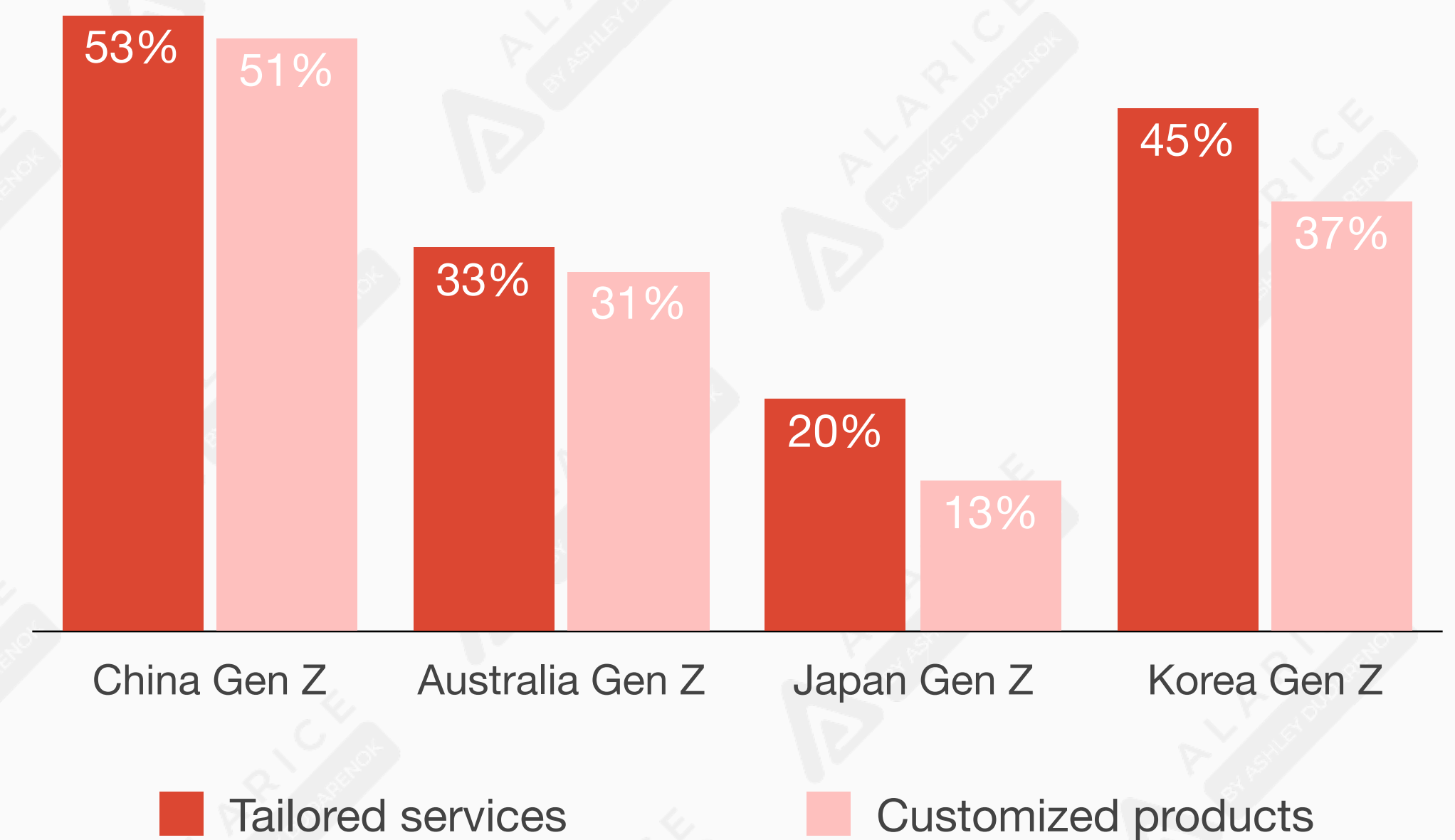


CONSUMER INSIGHTS

GEN Z SHOPPING ATTITUDES

GEN Z PREFERENCES TO BRANDS THAT PROVIDE CUSTOMISED/TAILORED PRODUCTS OR SERVICES

Gen Z **desire unique tailored products and services:** according to McKinsey Chiba Consumer Report 2021, more than half of Chinese Gen Z interviewed said they prefer brands that offer customised products, while 53% would opt for brands that provide tailored services.



CONSUMER INSIGHTS

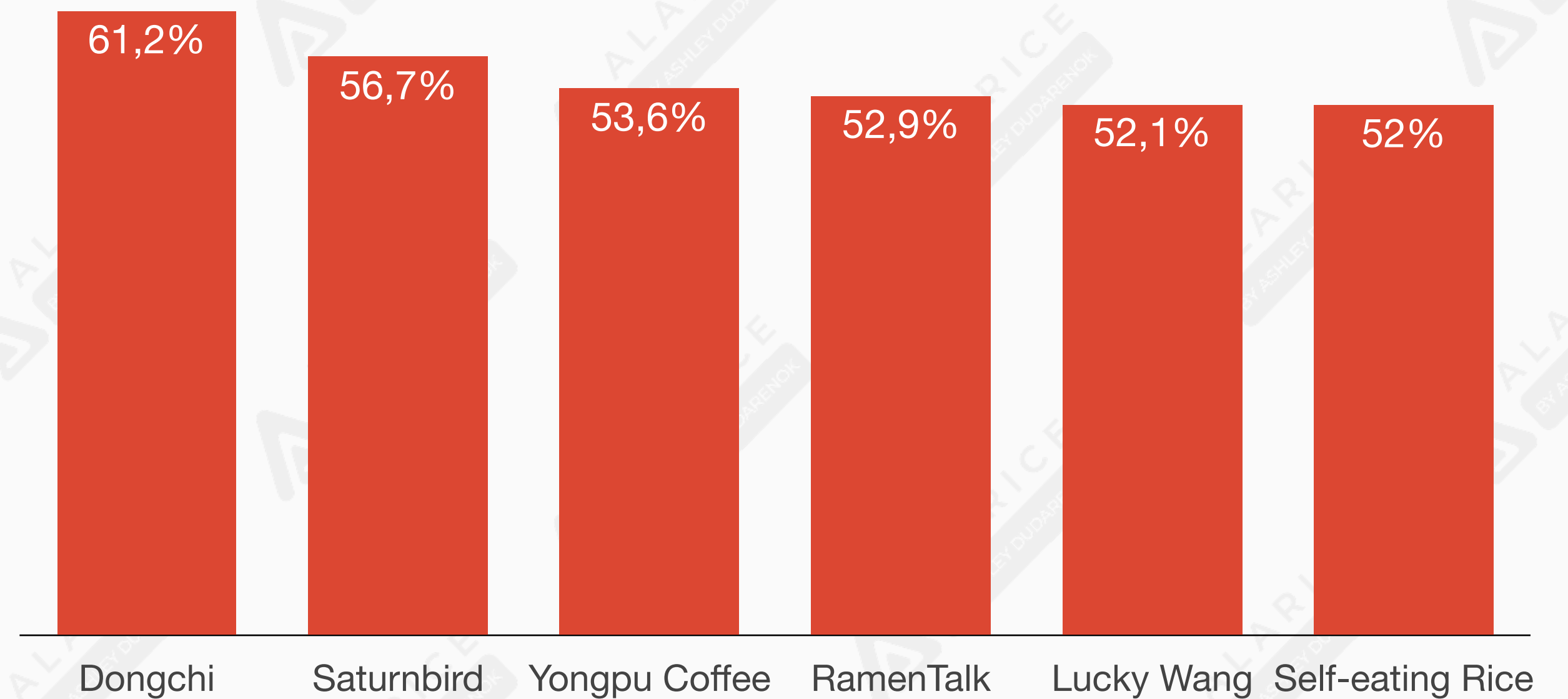
GEN Z SHOPPING ATTITUDES

Gen Z are more globally minded and at the same time have a **stronger cultural confidence sense of national identity**: they are **enthusiastic about Made in China**, which has lead to increased demand for domestic brands and products.

They are also willing to pay more for products with strong Chinese culture or heritage elements.

In recent years, the strong consumer demand of Gen Z has constituted an important factor for the rapid development of new brands, as **they are among the users that pay more attention to emerging domestic brands**.

PROPORTION OF GEN Z AMONG USERS THAT PAY ATTENTION TO EMERGING BRANDS

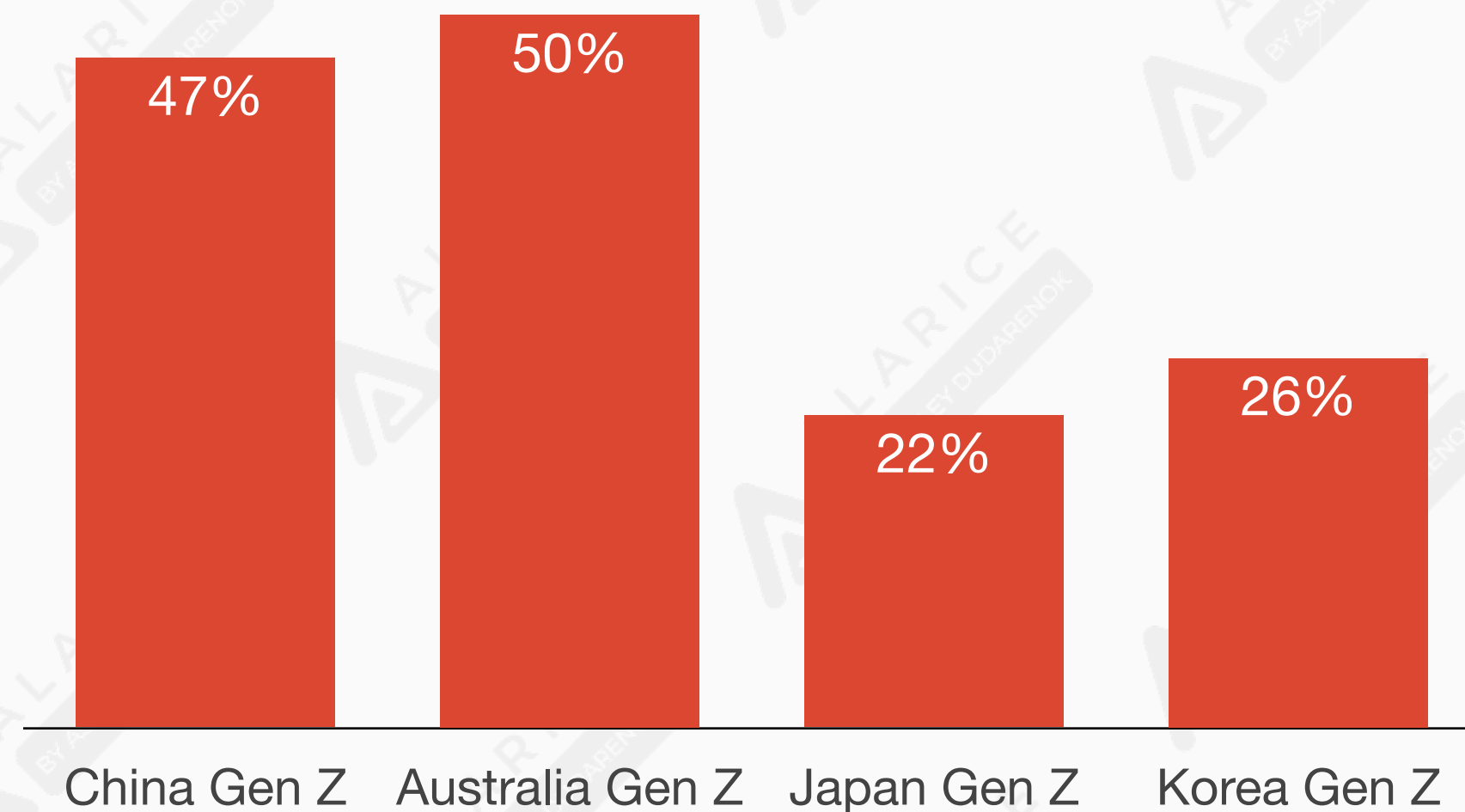


CONSUMER INSIGHTS

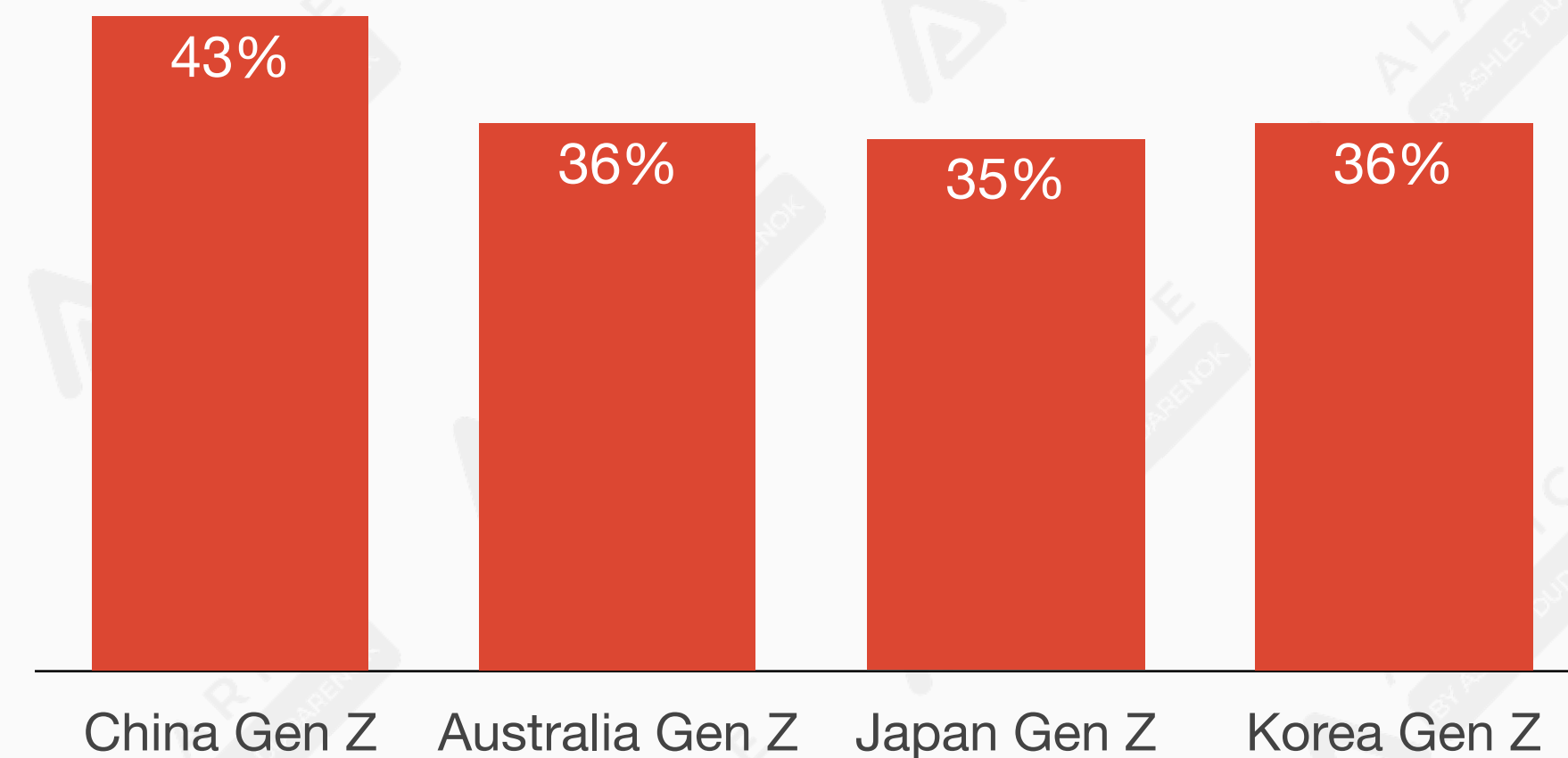
GEN Z SHOPPING ATTITUDES

Compared to their peers in other countries, China's Gen Z are relatively **more loyal to brands**: 47% of them said they would stick to brands they like and are satisfied with, while 43% would choose to buy a product from a brand they know well over a new one.

PERCENTAGE OF PEOPLE WHO WOULD STICK TO A BRAND THEY LIKE



PERCENTAGE OF PEOPLE WHO WOULD CHOOSE A BRAND THEY KNOW WELL OVER A NEW PRODUCT



CONSUMER INSIGHTS

GEN Z F&B CONSUMPTION TRENDS

Gen Z's **Food & Beverage consumption** is showing an increasing trend. The proportion of heavy F&B consumers amounts to 90%, and nearly half of Gen Z plans to increase their spending in this area.



93%

OF GEN Z ARE MODERATE TO HEAVY BEVERAGE CONSUMERS



90%

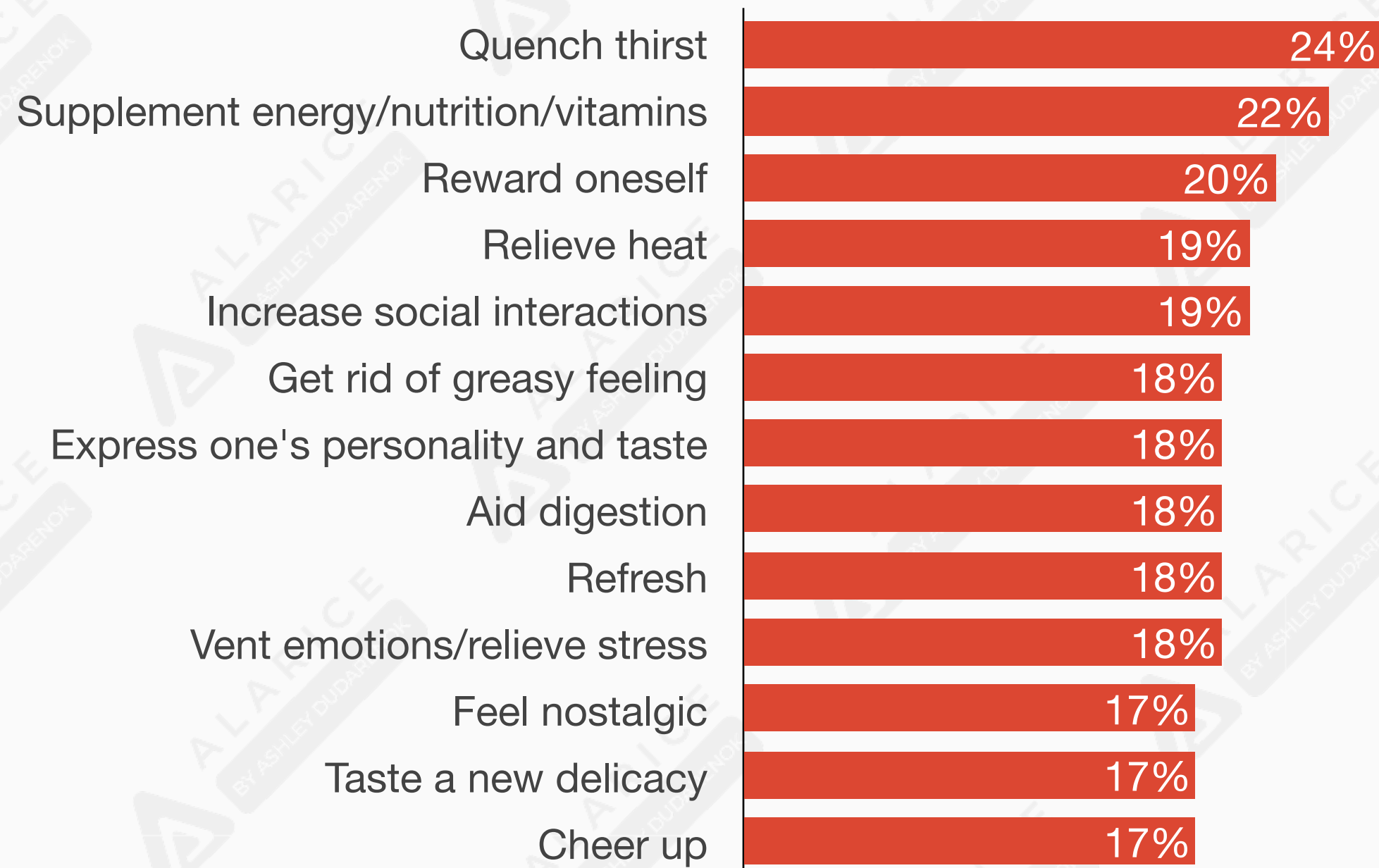
OF GEN Z ARE MODERATE TO HEAVY CONSUMERS OF SNACKS

CONSUMER INSIGHTS

GEN Z F&B CONSUMPTION TRENDS

In addition to satisfying basic functional needs, Gen Zs also have **emotional needs when it comes to drinks and snacks.**

GEN Z'S BEVERAGE CONSUMPTION NEEDS (MAY 2021)



GEN Z'S SNACK CONSUMPTION NEEDS (MAY 2021)

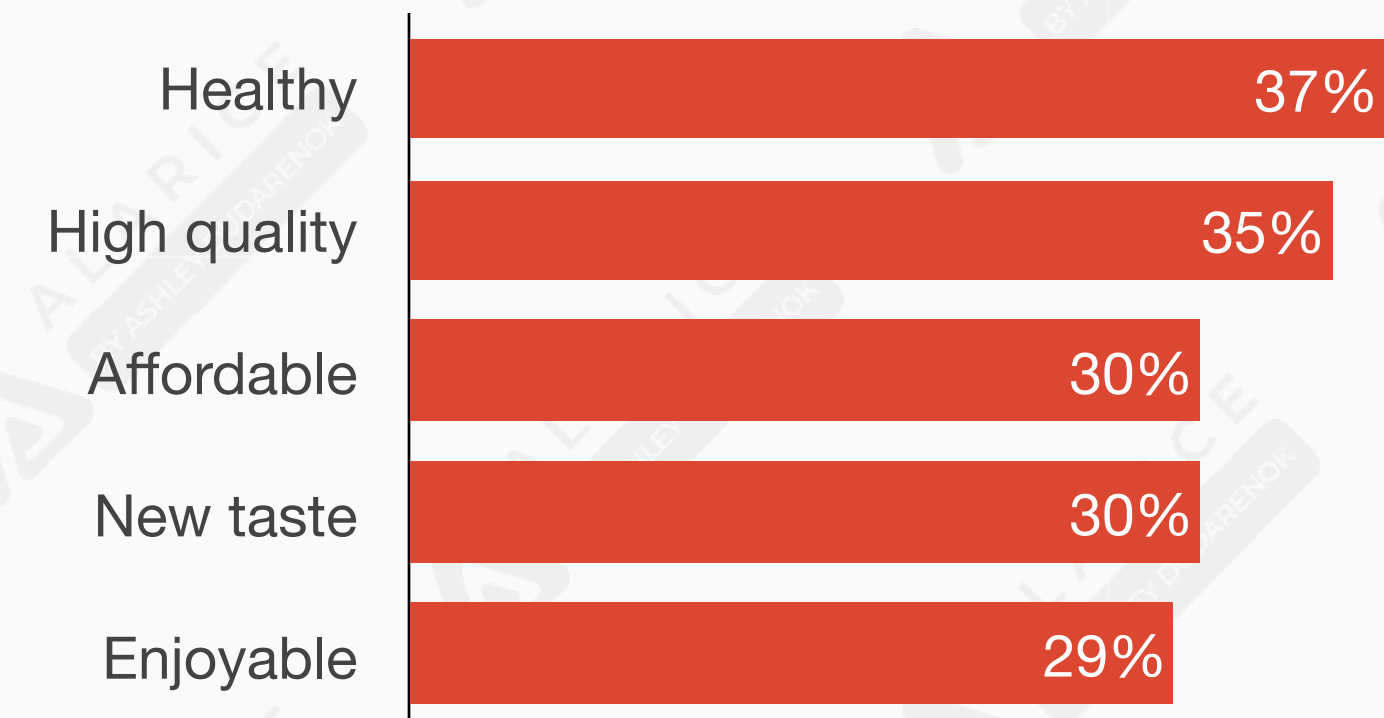


CONSUMER INSIGHTS

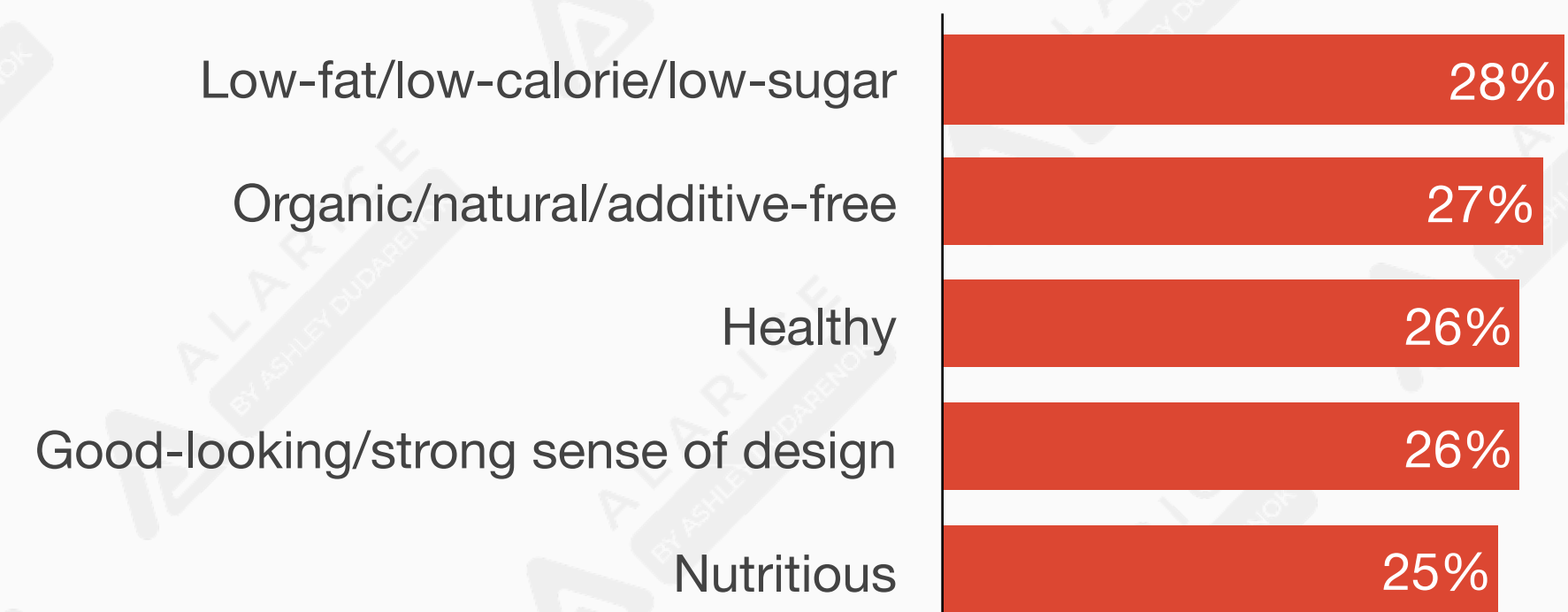
GEN Z F&B CONSUMPTION TRENDS

Eating healthy is the dominant value proposition among Gen Zs. Over the past year, generation Z's food and beverage consumption has shifted to more low-fat/low-calorie/low-sugar, organic, healthy and nutritious products.

TOP 5 VALUE PROPOSITIONS OF GEN Z'S FOOD & BEVERAGE CONSUMPTION (MAY 2021)



TOP 5 PRODUCT TYPES GEN ZS HAVE SPENT MORE ON IN THE LAST YEAR (MAY 2021)

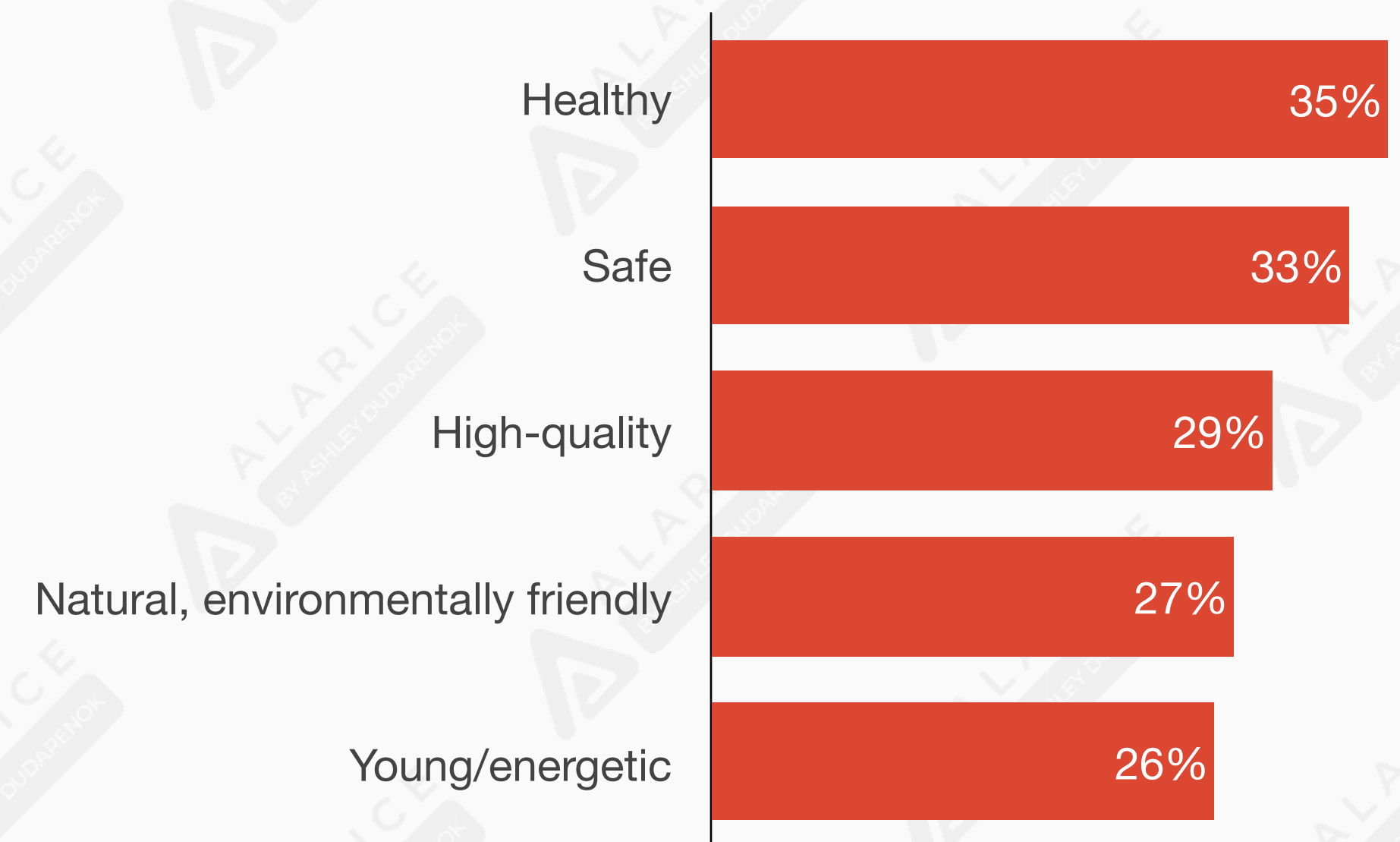


CONSUMER INSIGHTS

GEN Z F&B CONSUMPTION TRENDS

**TOP 5 F&B BRAND IMAGES PREFERRED BY GEN Z
(MAY 2021)**

They are also more likely to have a favorable opinion of F&B brands that convey "healthy", "safe", "natural" and "environmentally friendly" images.

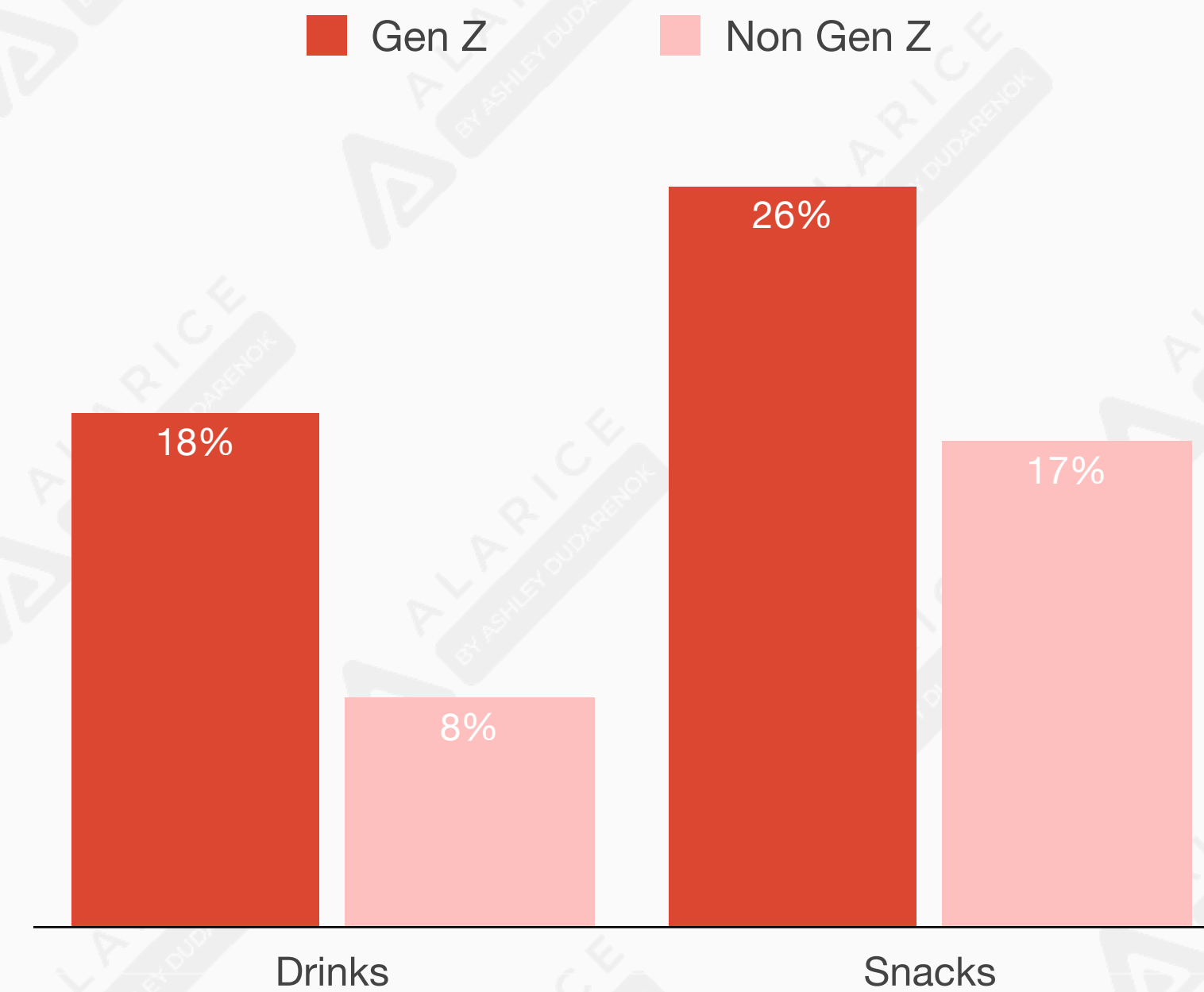


CONSUMER INSIGHTS

GEN Z F&B CONSUMPTION TRENDS

Compared to other consumer groups, Gen Z are more likely to **pay attention to the appearance of F&B packaging**: in the past year there has been an increase in the consumption of products with good-looking appearance and strong design features.

PROPORTION OF PEOPLE THAT PLACE IMPORTANCE ON PRODUCT APPEARANCE AND PACKAGING DESIGN (MAY 2021)



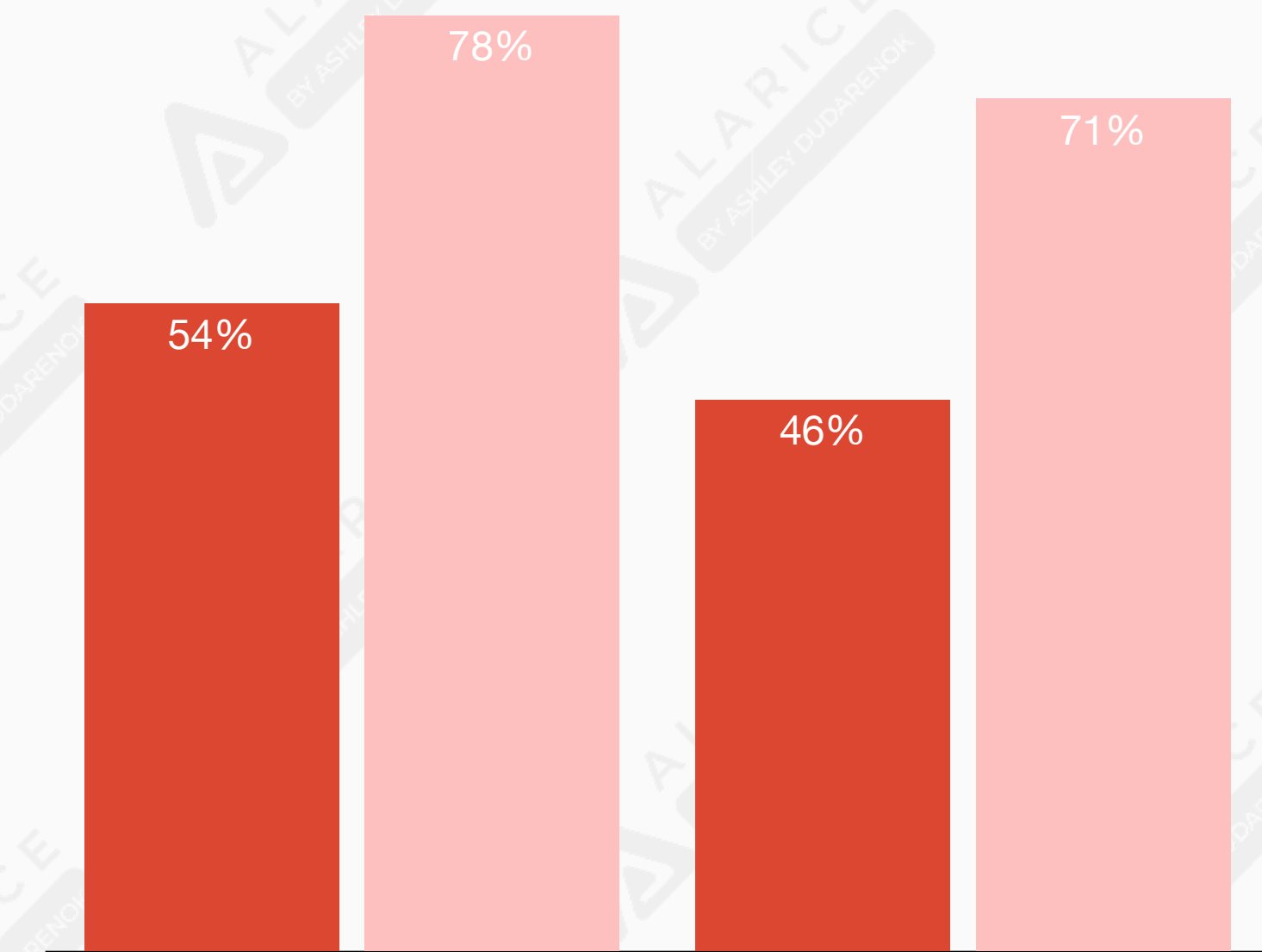
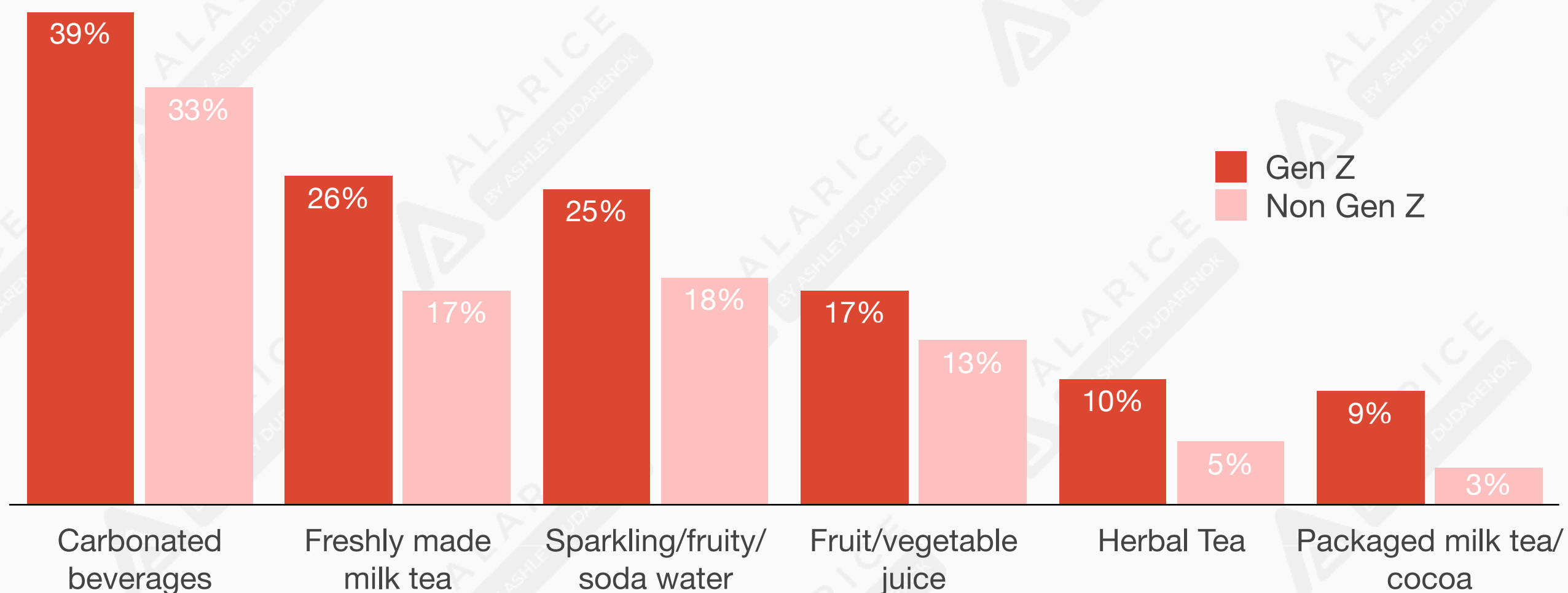
CONSUMER INSIGHTS

GEN Z F&B CONSUMPTION TRENDS

Gen Z is **more receptive to domestic emerging brands and is willing to try new types of products**. Their consumption of emerging beverage sub-categories is significantly higher than other consumer groups.

PROPORTION OF PEOPLE THAT PURCHASED DOMESTIC EMERGING/INTERNET CELEBRITIES BRANDS IN THE PAST 3 MONTHS (MAY 2021)

LAST THREE TYPES OF BEVERAGES CONSUMED BY GEN Z (MAY 2021)



■ Purchases in the past 3 months
■ Increase in purchase frequency

CONSUMER INSIGHTS

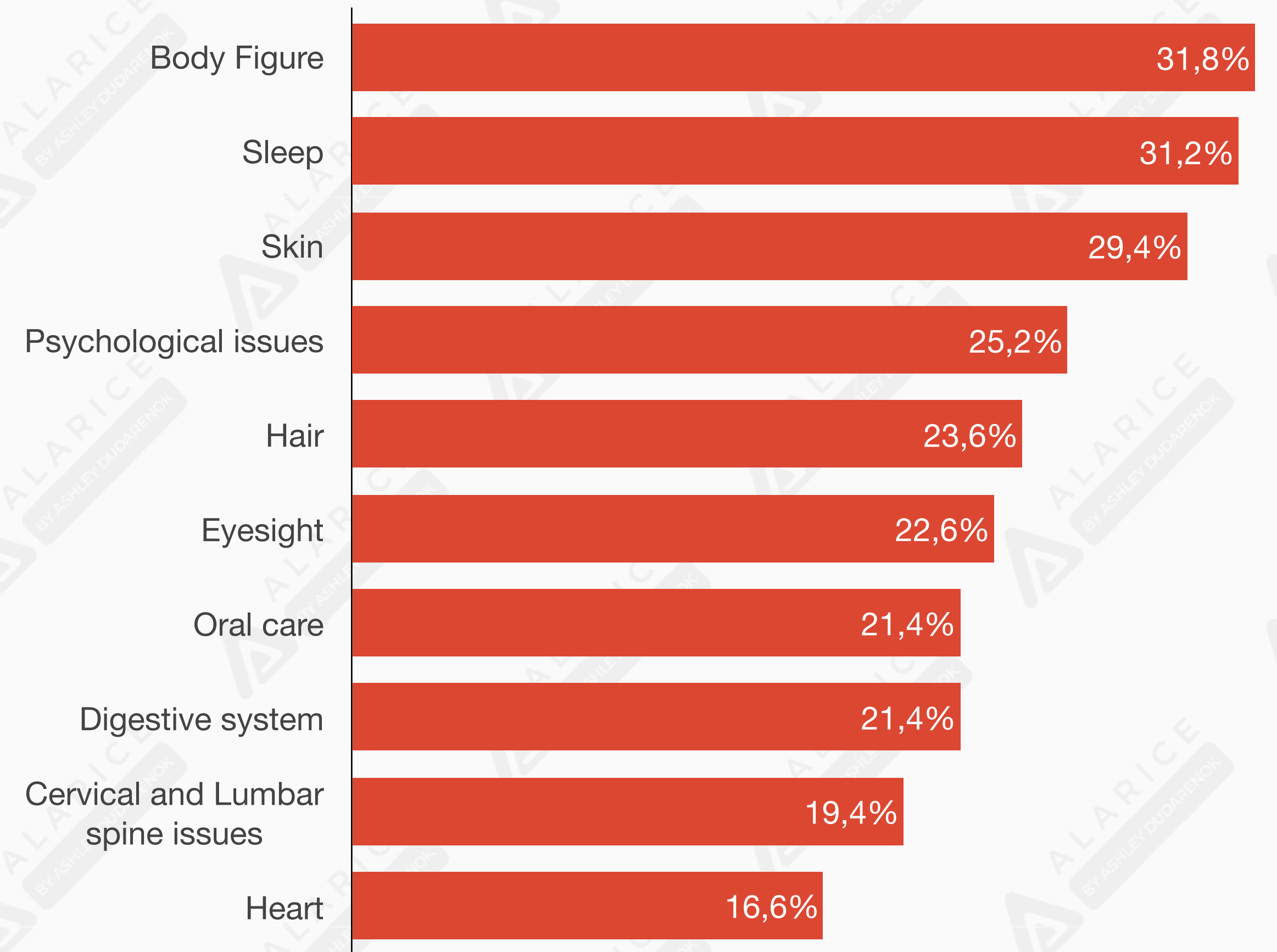
GEN Z HEALTH & BEAUTY CONSUMPTION TRENDS

Gen Z **pay more attention to preserving their health.**

This generation of young consumers have an **advanced consumption awareness of healthcare**, which has shifted from a simple healthy diet to a higher level of exploration.

From paying attention to their diet to health preservation and health-care products, the fields of interest are becoming more and more diversified.

CONSUMERS'S MAJOR HEALTH CONCERNS

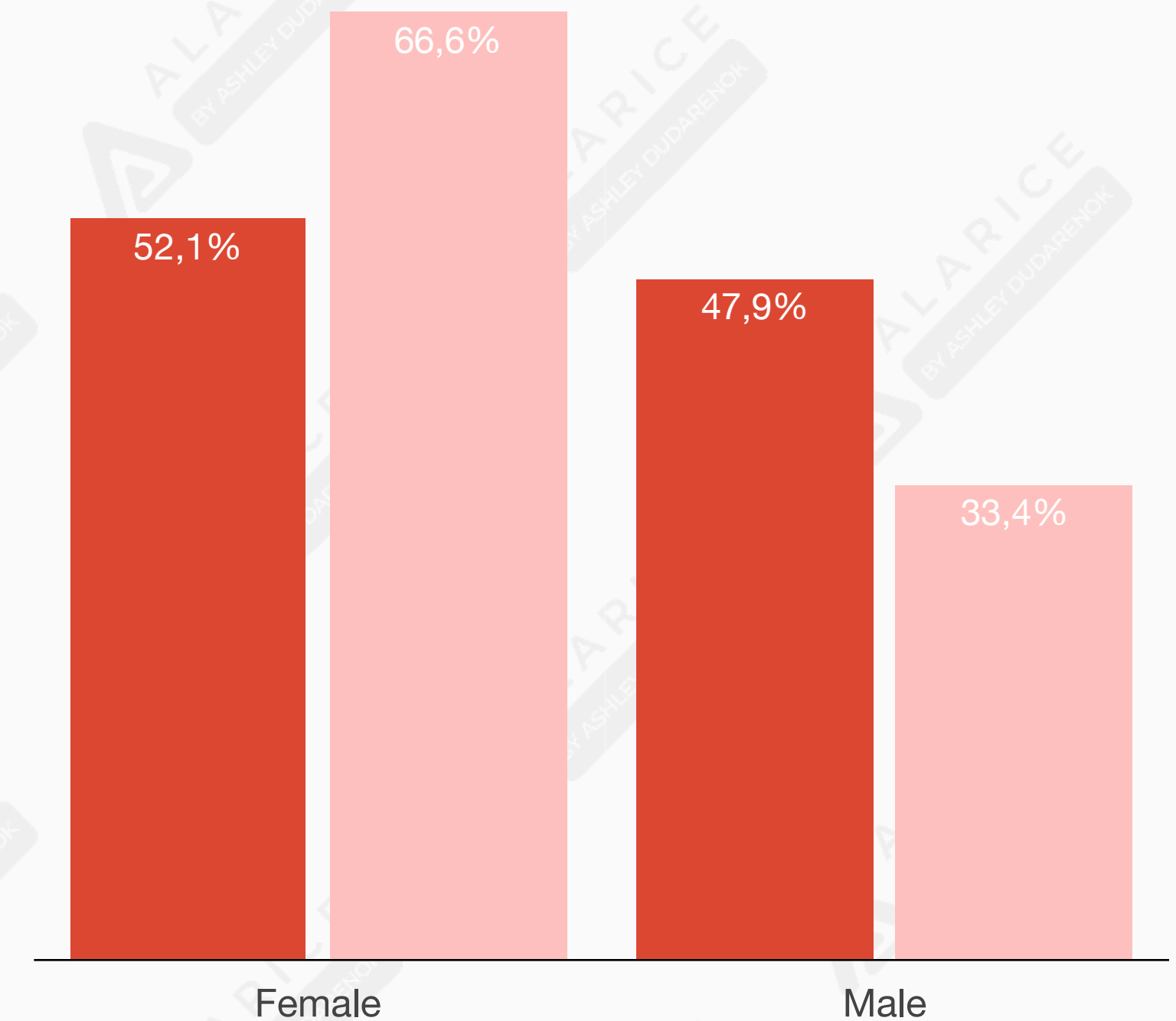
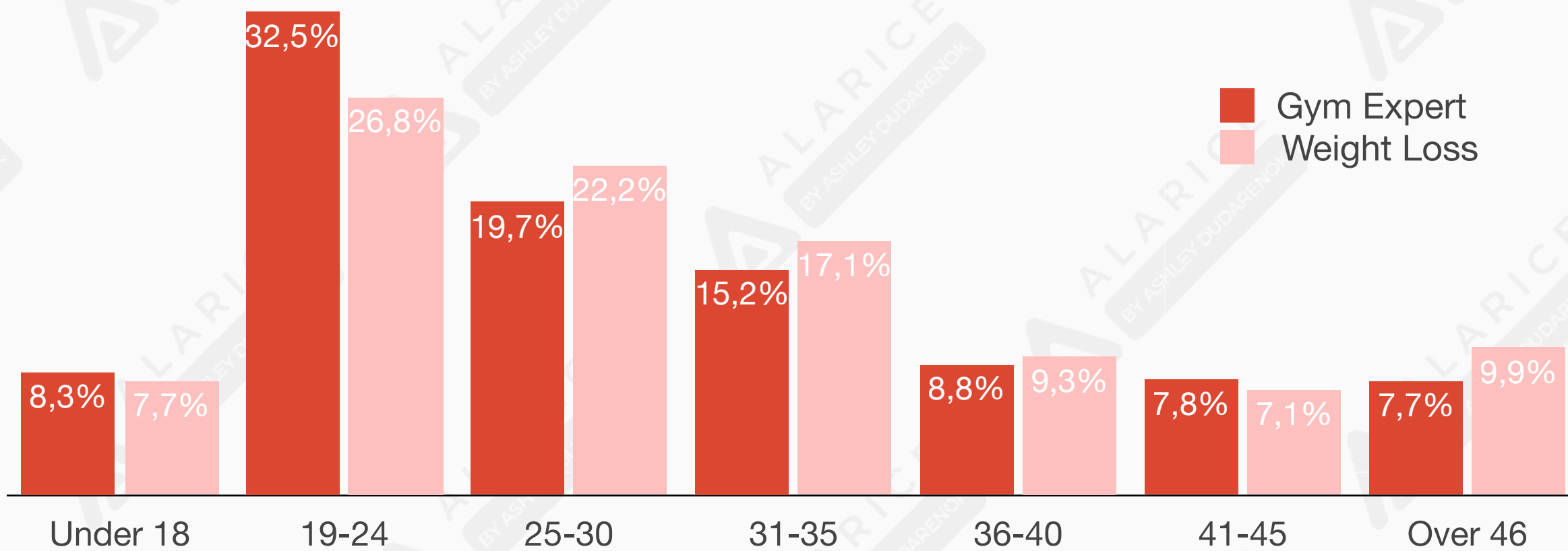


CONSUMER INSIGHTS

GEN Z HEALTH & BEAUTY CONSUMPTION TRENDS

Gen Zs are the consumer group that cares more about **fitness and weight loss**.

PROPORTION OF PEOPLE THAT PAYS ATTENTION TO FITNESS AND WEIGHT LOSS (2021)



CONSUMER INSIGHTS

GEN Z HEALTH & BEAUTY CONSUMPTION TRENDS

MEDICAL BEAUTY INDUSTRY IN CHINA

As previously mentioned, Gen Z has a **strong focus on appearance**. More than 50% of Post-90s will spend on **medical beauty** to enhance their appearance.



50%

OF CONSUMERS ARE GEN Z



200 BILLION

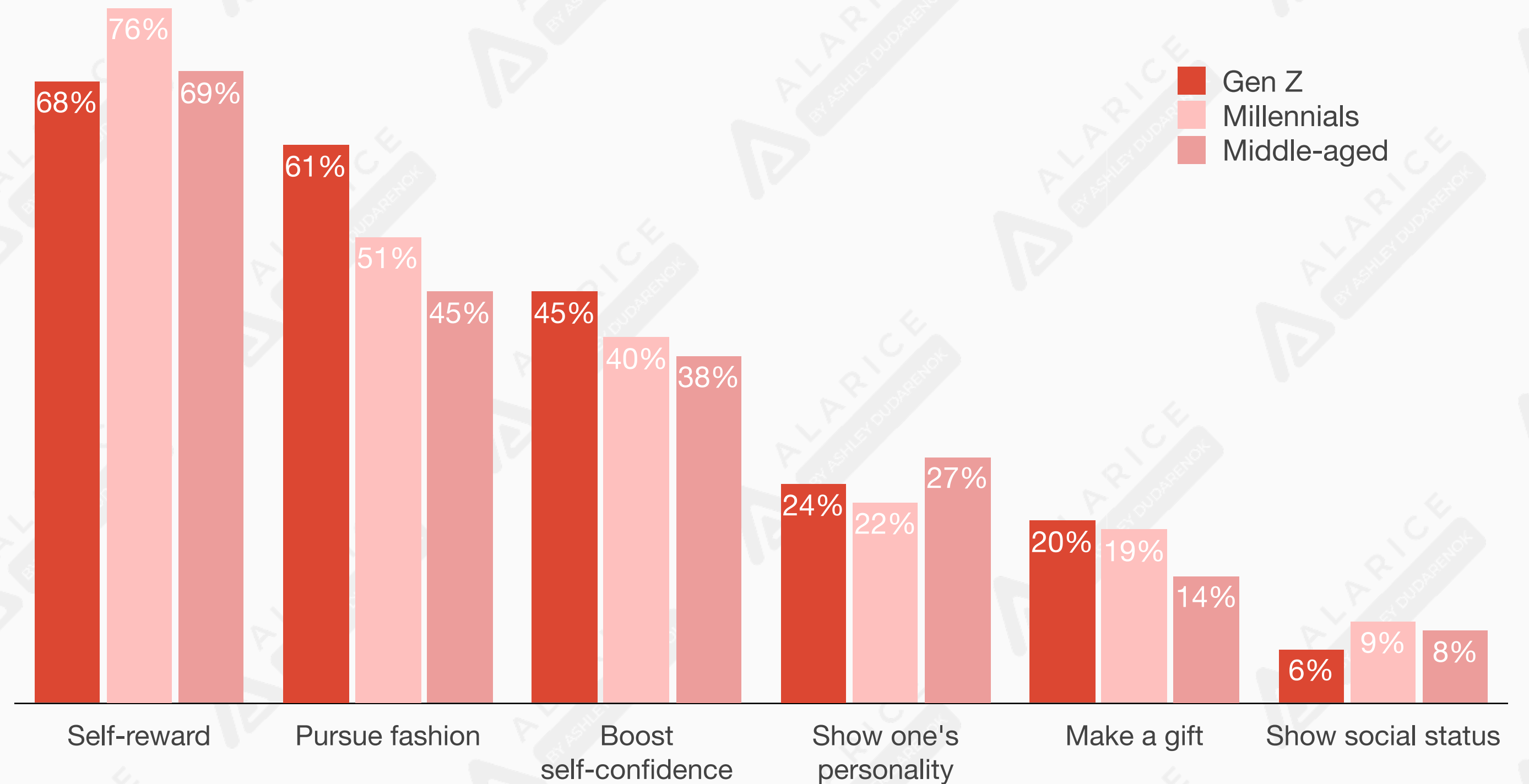
RMB MARKET SIZE

CONSUMER INSIGHTS

GEN Z LUXURY CONSUMPTION TRENDS

Gen Z's **reasons for buying luxury goods** are similar to other generations, but more focused on **following fashion**.

REASONS TO BUY LUXURY GOODS ACCORDING TO DIFFERENT AGE GROUPS (2020)

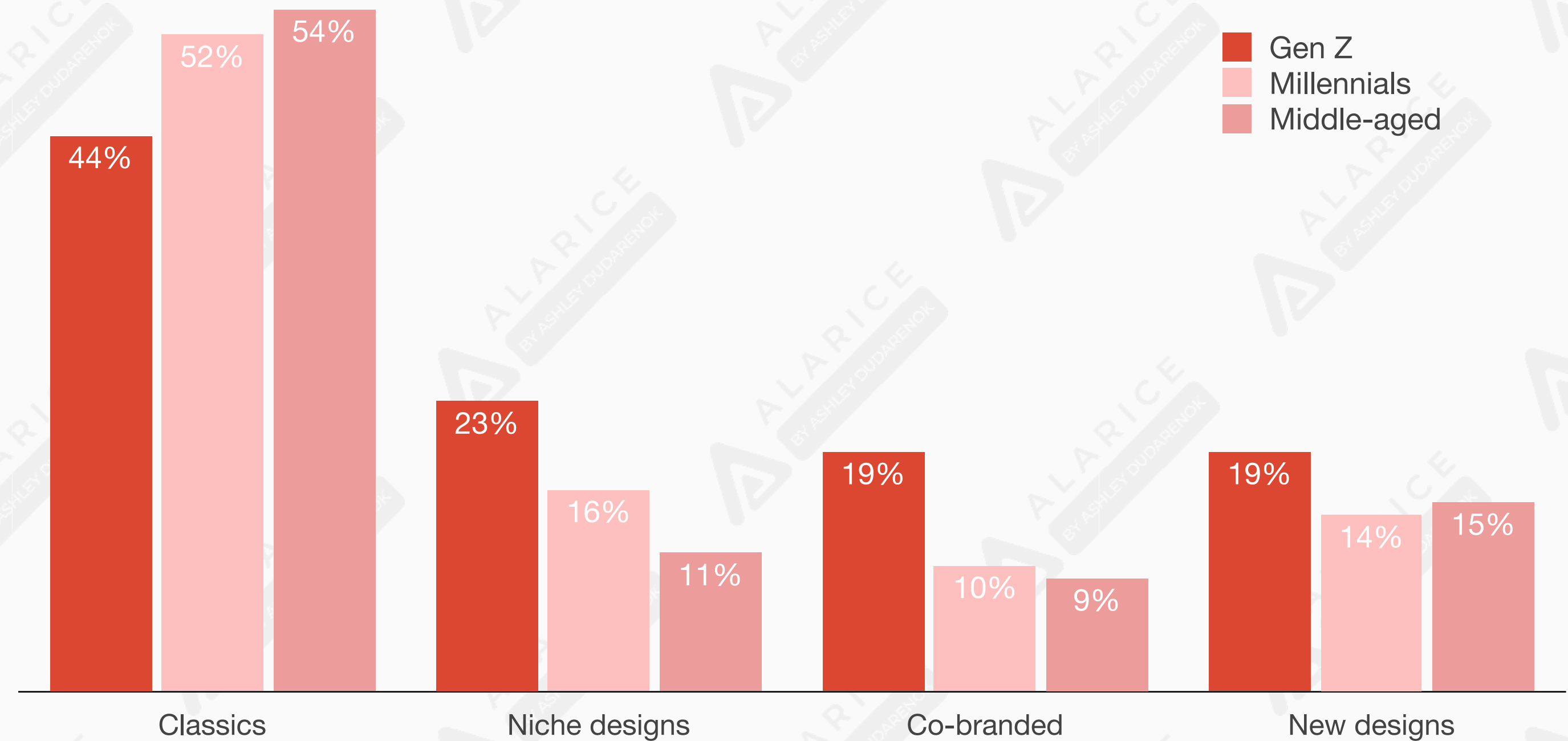


CONSUMER INSIGHTS

GEN Z LUXURY CONSUMPTION TRENDS

In comparison with other generations, Gen Zs prefer **niche and co-branded designs**.

LUXURY PRODUCT CATEGORIES BOUGHT IN THE PAST TWO YEARS BY DIFFERENT AGE GROUPS (2020)

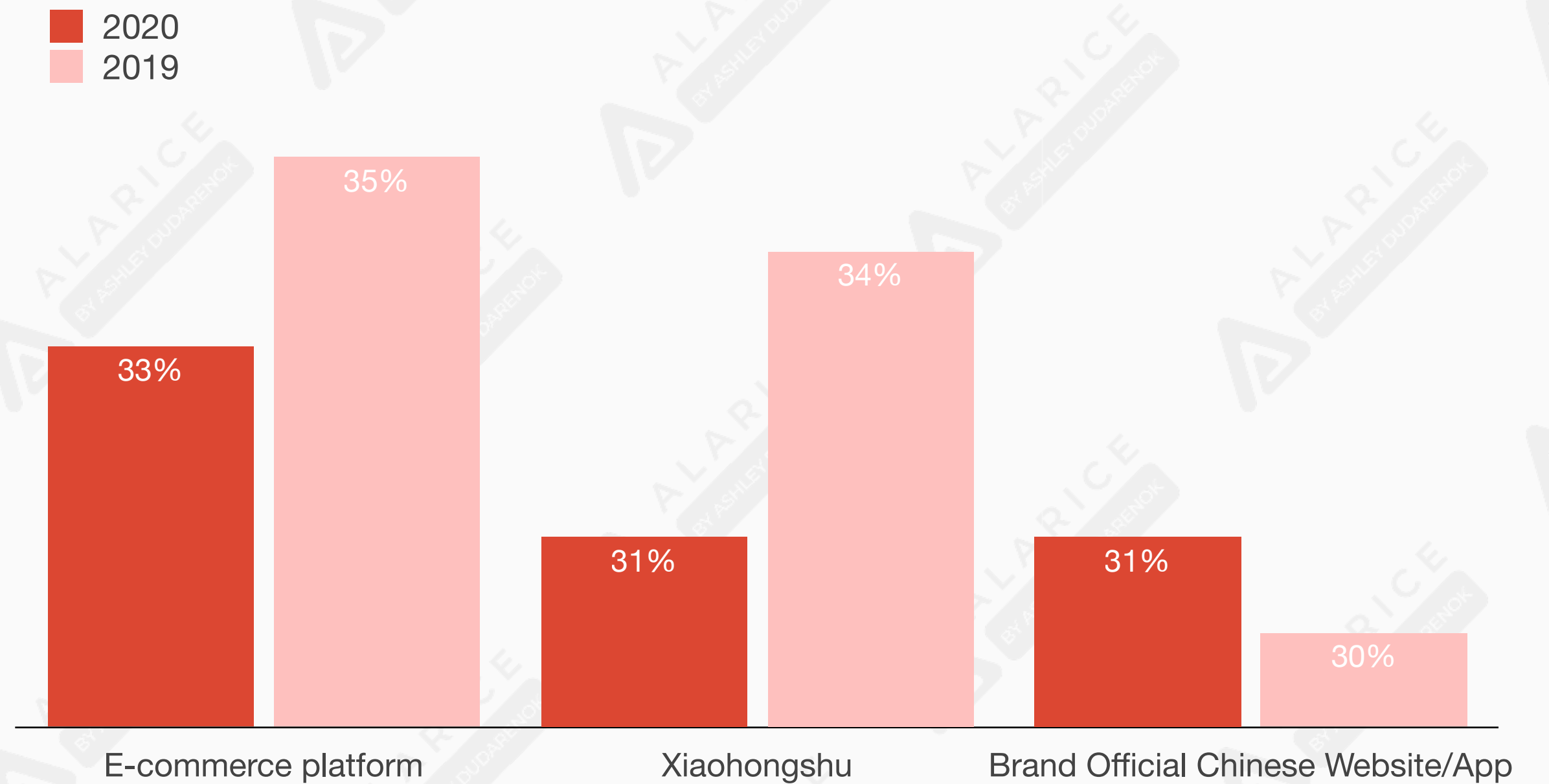


CONSUMER INSIGHTS

GEN Z LUXURY CONSUMPTION TRENDS

Unlike Millennials and Middle-aged consumers, who consider offline stores the 3rd main way to get information about luxury goods, Gen Z's most common **information collection channels are entirely online.**

3 MAIN SOURCES OF INFORMATION TO LEARN ABOUT LUXURY GOODS (2019-2020)

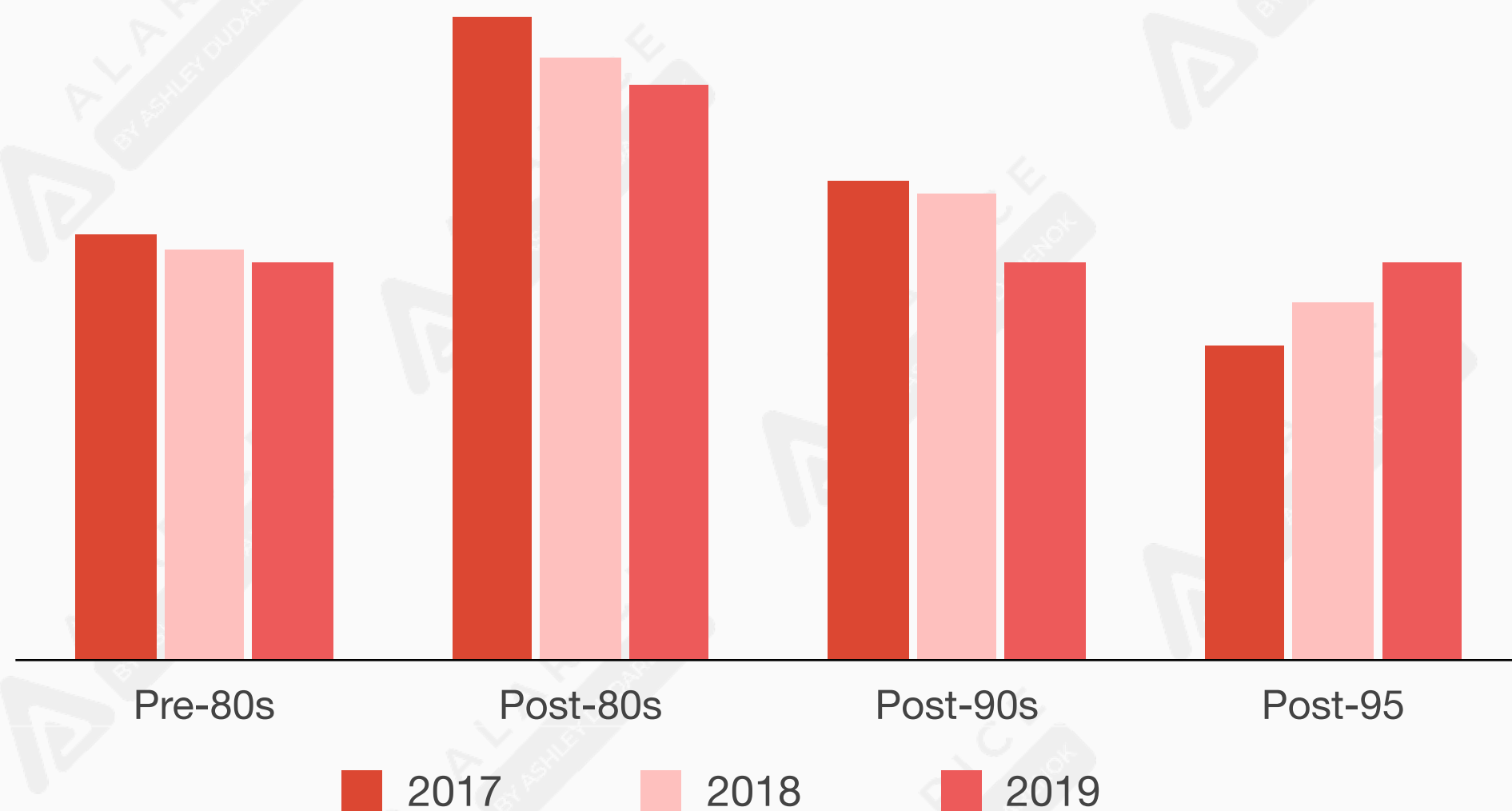


CONSUMER INSIGHTS

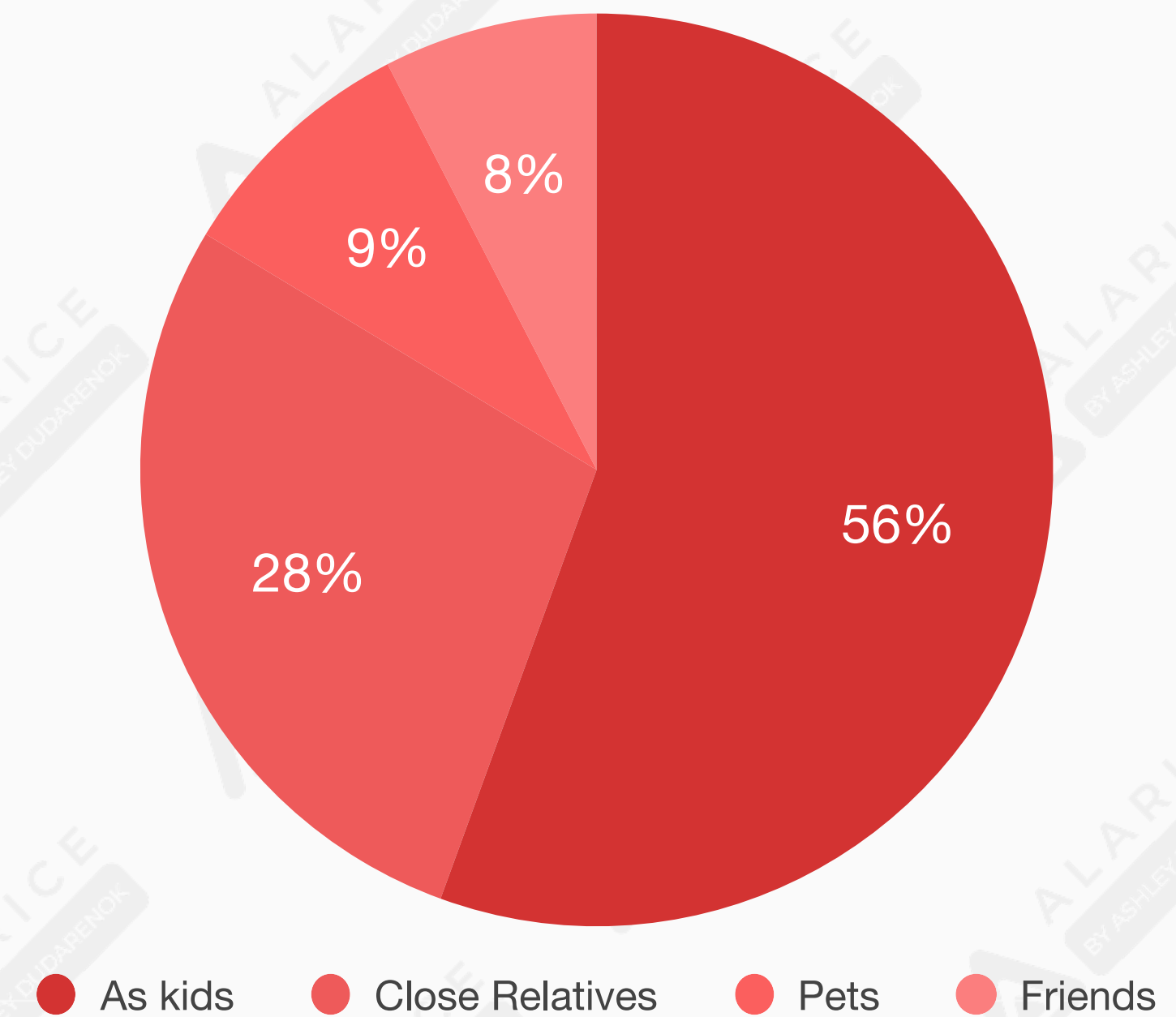
GEN Z PET ECONOMY CONSUMPTION TRENDS

Pets have become more and more important to Gen Z, as they give their owners an irreplaceable sense of companionship.

AGE DISTRIBUTION OF PET ECONOMY CONSUMERS ONLINE (2019)



HOW PETS ARE CONSIDERED IN PET-OWNING HOUSEHOLDS (2017)

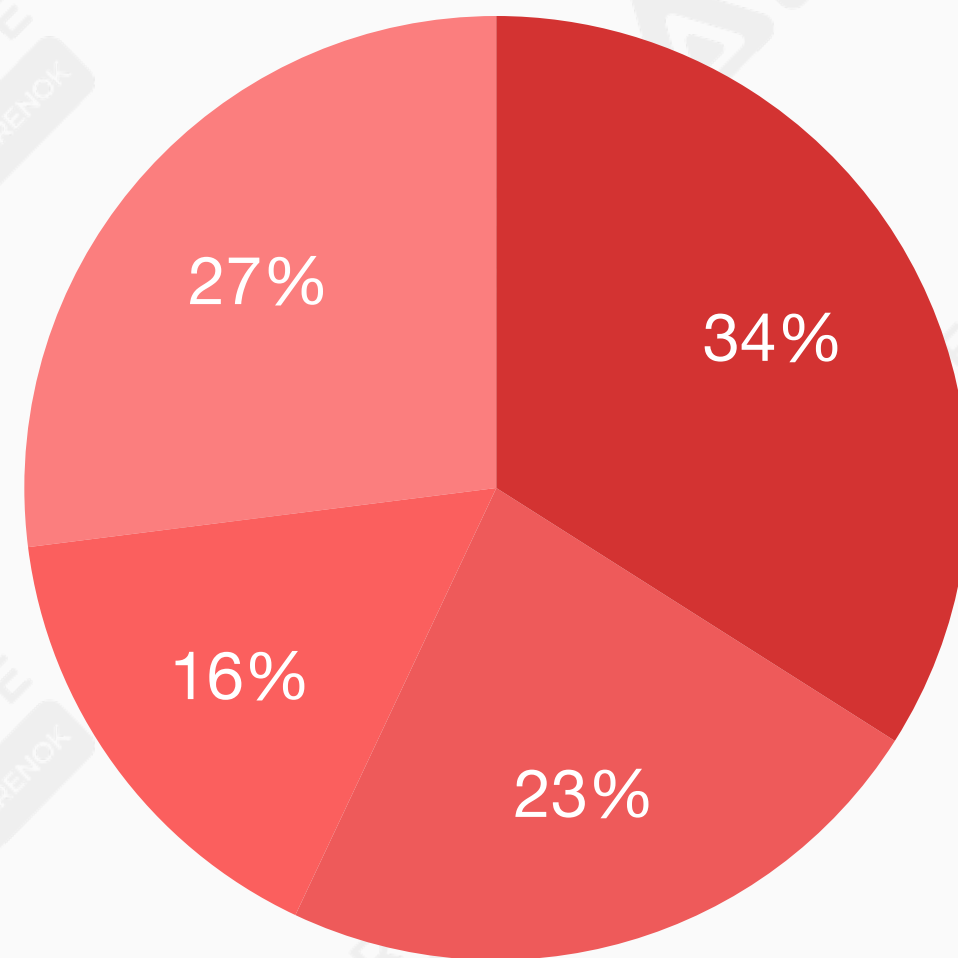


CONSUMER INSIGHTS

GEN Z PET ECONOMY CONSUMPTION TRENDS

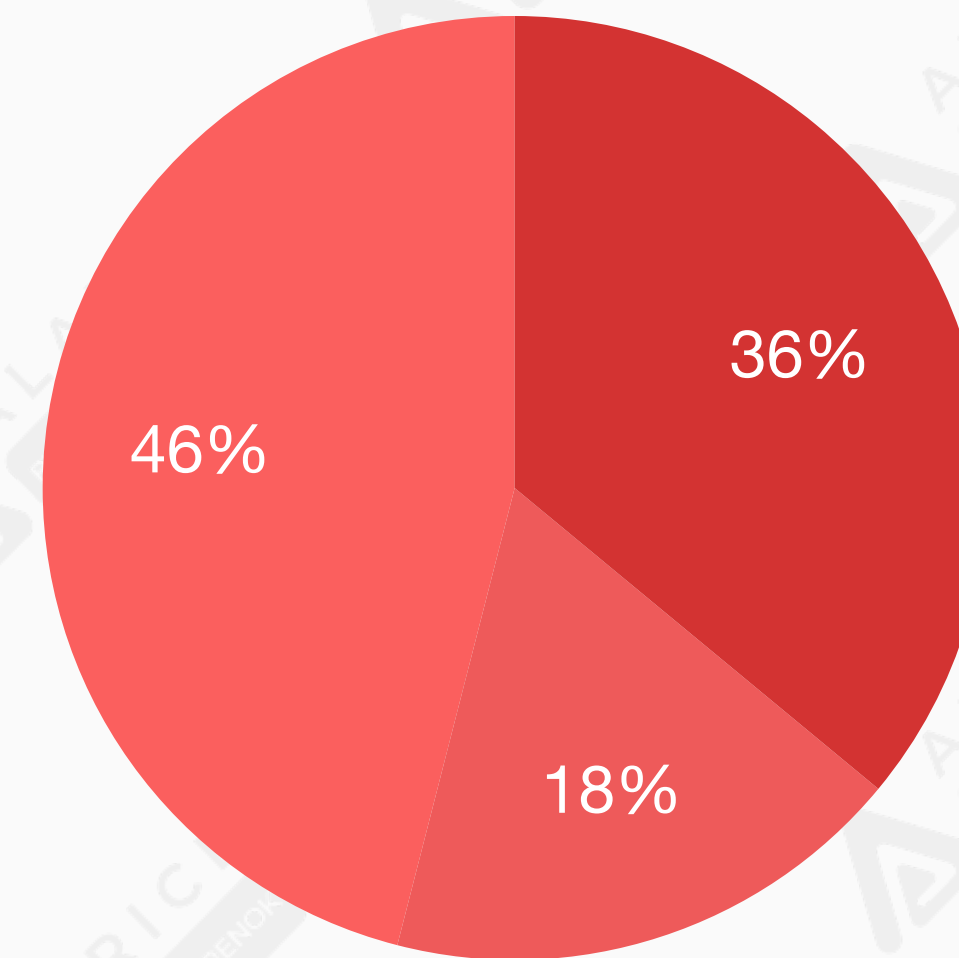
They also pay special attention to the healthy growth of their pets. Healthcare products are the second biggest expenditure for individual pet owners when it comes to food.

CHINA'S PET OWNERS' CONSUMPTION SEGMENTATION (2019)



- Pet food
- Medical treatment
- Pet supplies
- Other

CHINA'S PET OWNERS' PERSONAL PET FOOD CONSUMPTION DISTRIBUTION (2019)



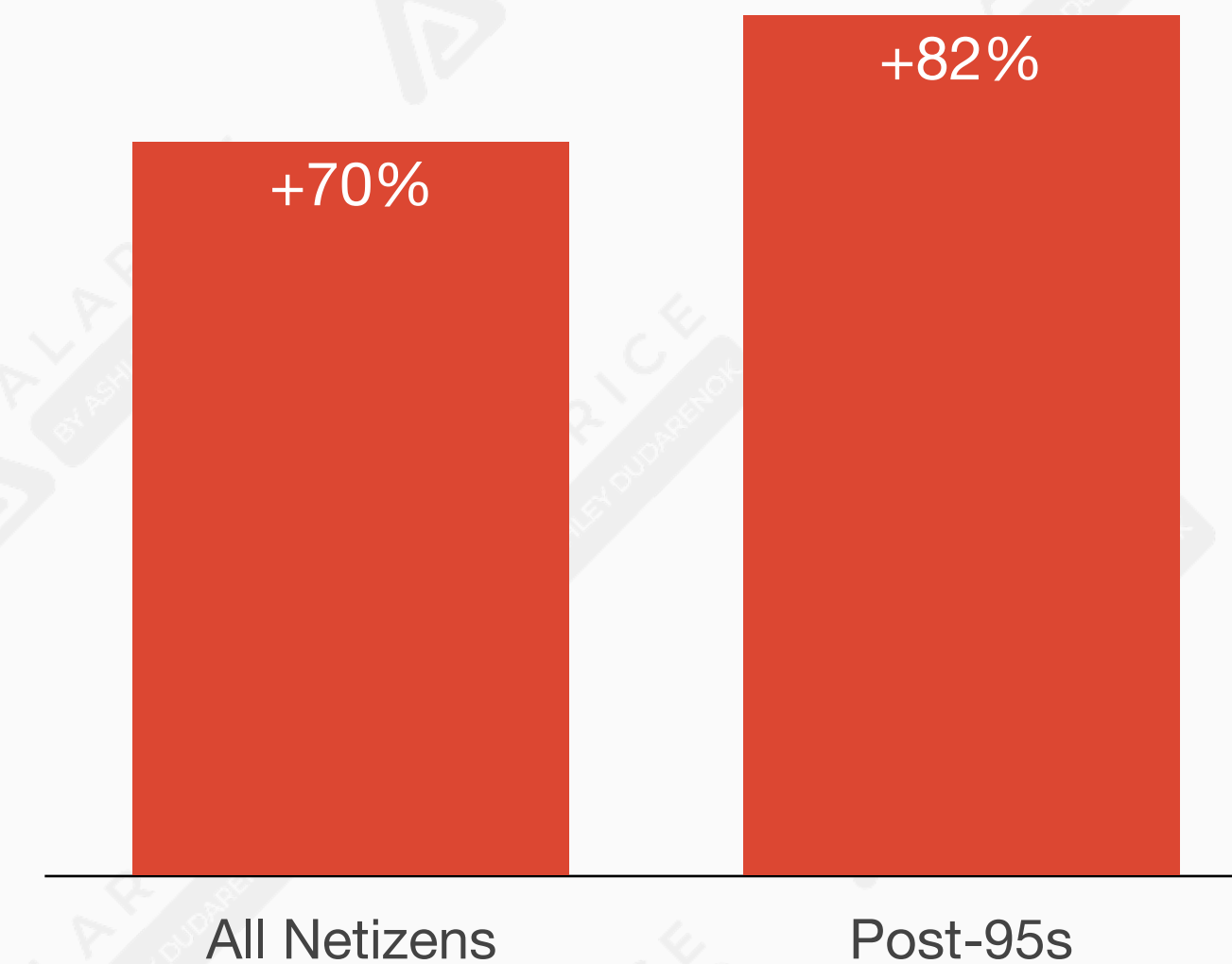
- Staple food
- Snacks
- Health products

CONSUMER INSIGHTS

GEN Z LAZY ECONOMY CONSUMPTION TRENDS

Gen Z are **fans of the lazy economy**. The year-over-year sales of ‘lazy products’ (such as dishwashers, floor cleaning robots and electric toothbrushes) purchased by post-95s on Taobao is significantly greater than all users.

YOY GROWTH OF ‘LAZY PRODUCTS’ PURCHASES ON TAOBAO



CONSUMER INSIGHTS

GEN Z LAZY ECONOMY CONSUMPTION TRENDS

The lazy economy can also be seen in the convenience food sector. Instant noodles are not enough to meet the need of Gen Z students. Ready-to-eat hot pot have become their preferred convenience food.

TOP 5 CATEGORIES OF CONVENIENT AND EASY-TO-MAKE FOOD PURCHASES PREFERRED BY GEN Z STUDENTS (2019)

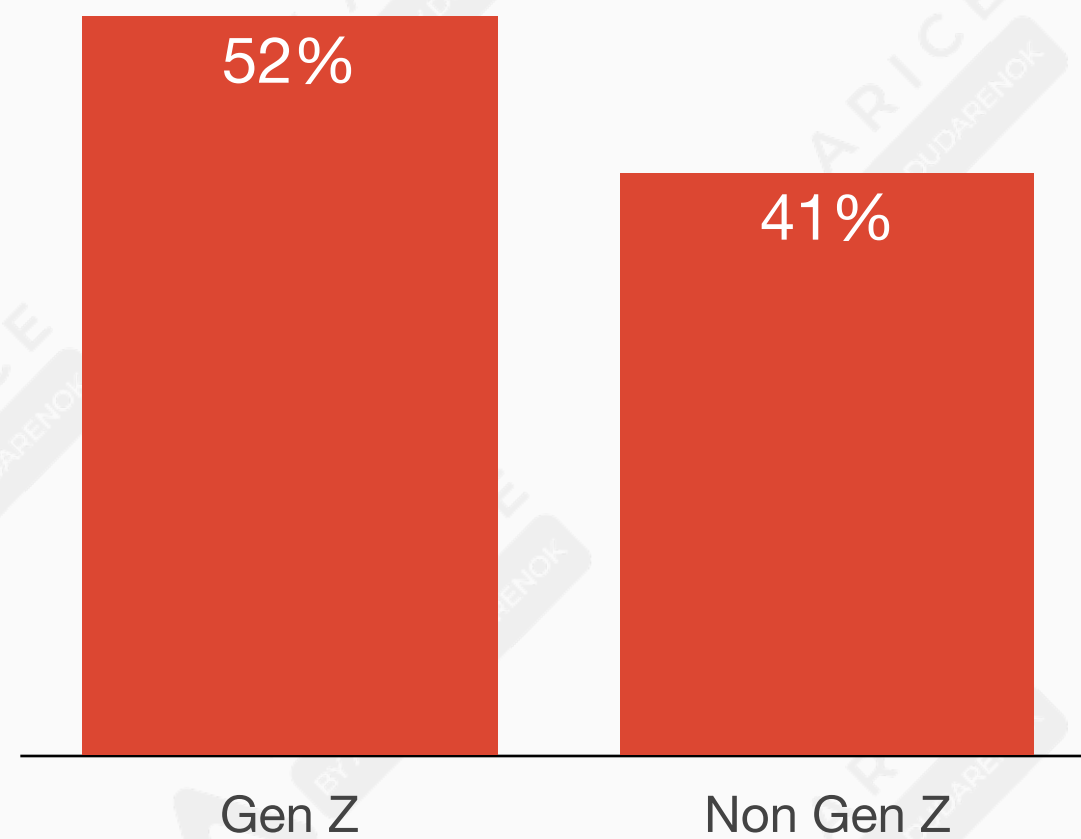
- 1** INSTANT HOT POT
- 2** INSTANT NOODLE
- 3** INSTANT PORRIDGE
- 4** PACKAGED INSTANT SOUP
- 5** COLD NOODLES

CONSUMER INSIGHTS

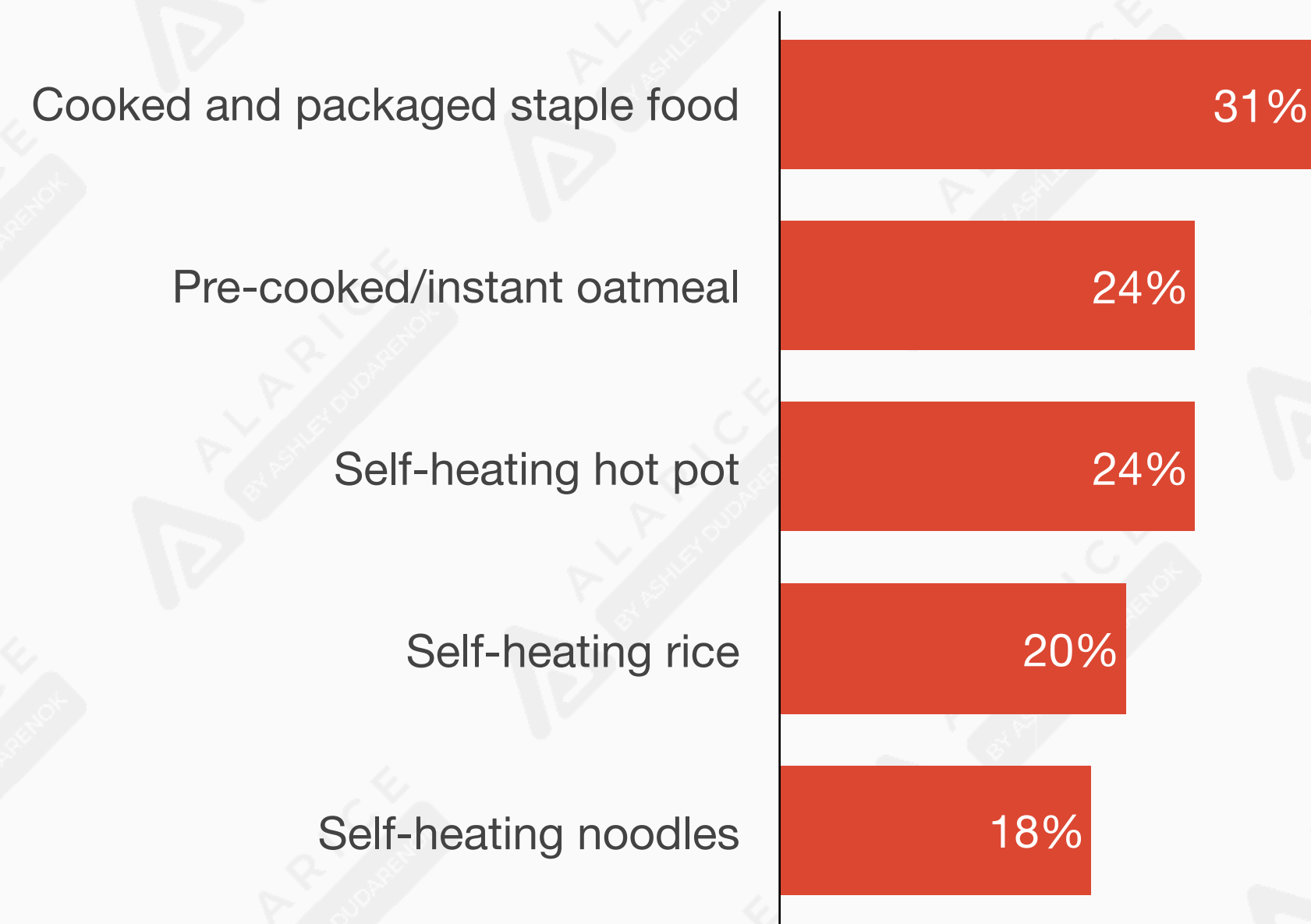
GEN Z LAZY ECONOMY CONSUMPTION TRENDS

The proportion of Gen Z eating **convenience/self-heating food** is higher than that of non-Gen Z respondents. Gen Zs are spending more on ready-made staples, instant oatmeal, and self-heating foods than they did in the past year.

PROPORTION OF PEOPLE EATING CONVENIENT/SELF-HEATING FOOD AT HOME (MAY 2021)



PRODUCT CATEGORIES THAT SAW INCREASING GEN Z CONSUMPTION IN THE LAST YEAR (MAY 2021)

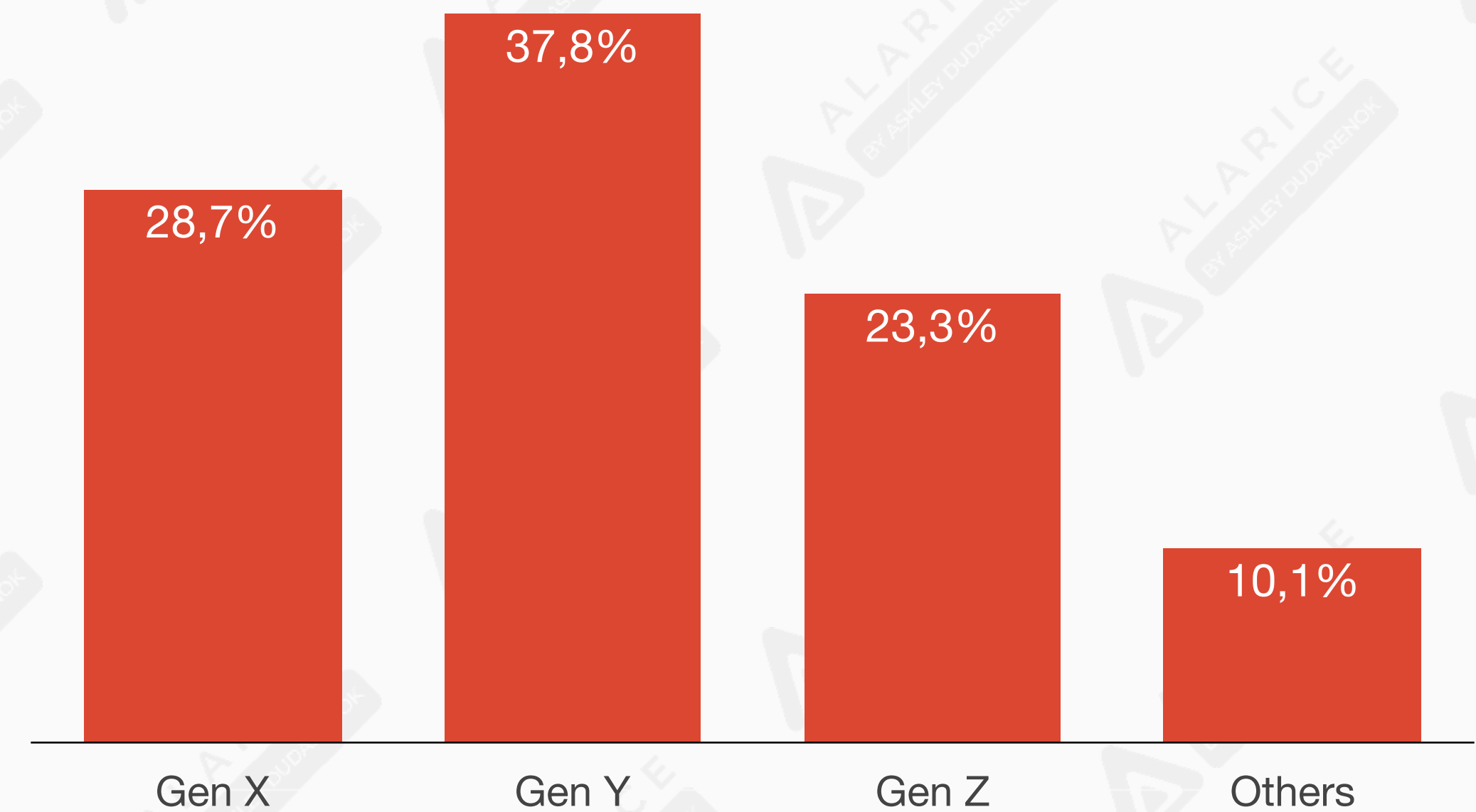


CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

Gen Zs are not the main online travel service users, but their **tourism spending power is quickly increasing.**

ONLINE TRAVEL SERVICE USERS PORTRAIT BY AGE GROUP (AS OF DECEMBER 2020)

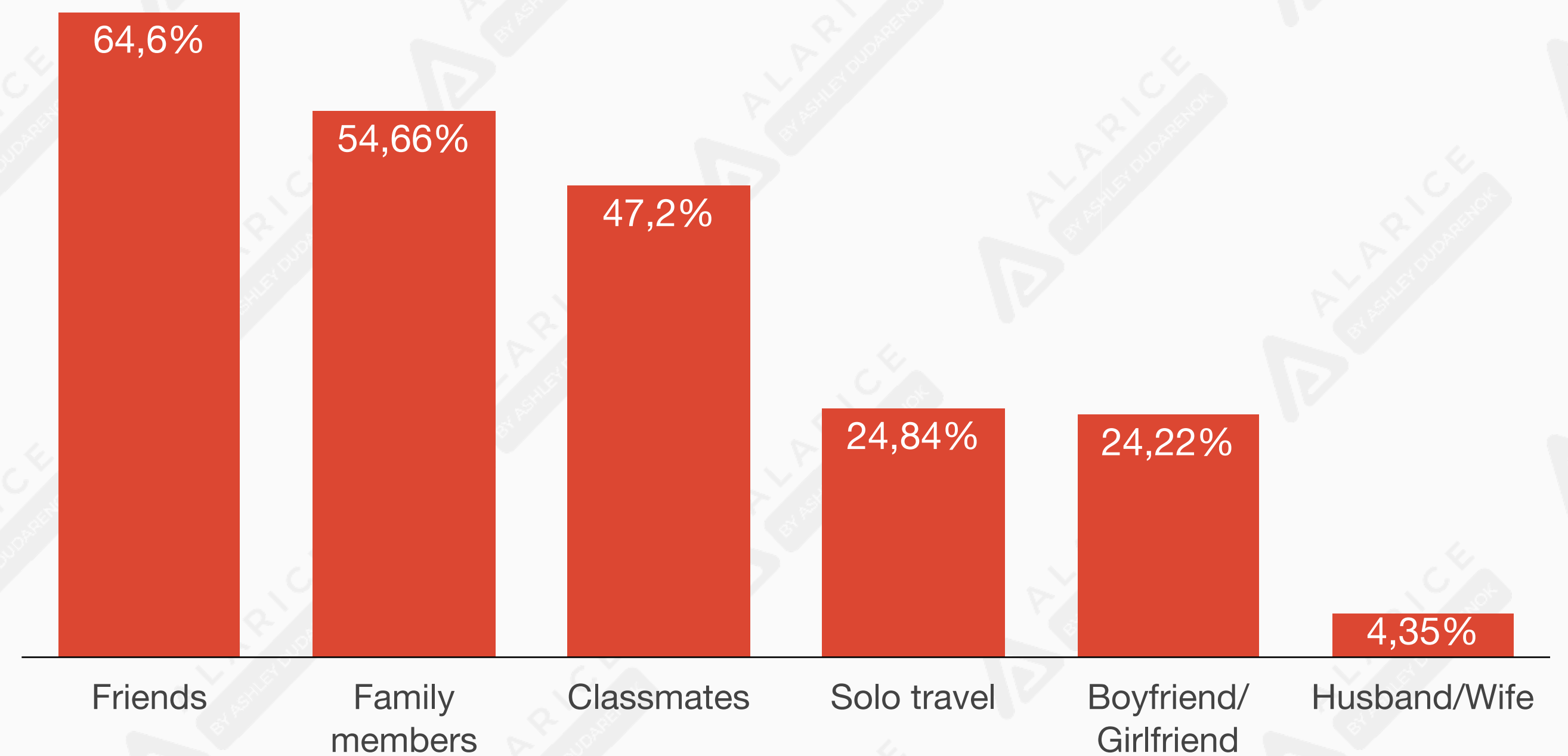


CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

USER PORTRAIT OF GEN Z TRAVEL COMPANIONS (2021)

Gen Zs love **traveling with friends**, but they are also family oriented, with 54,66% choosing to **travel with family members**.



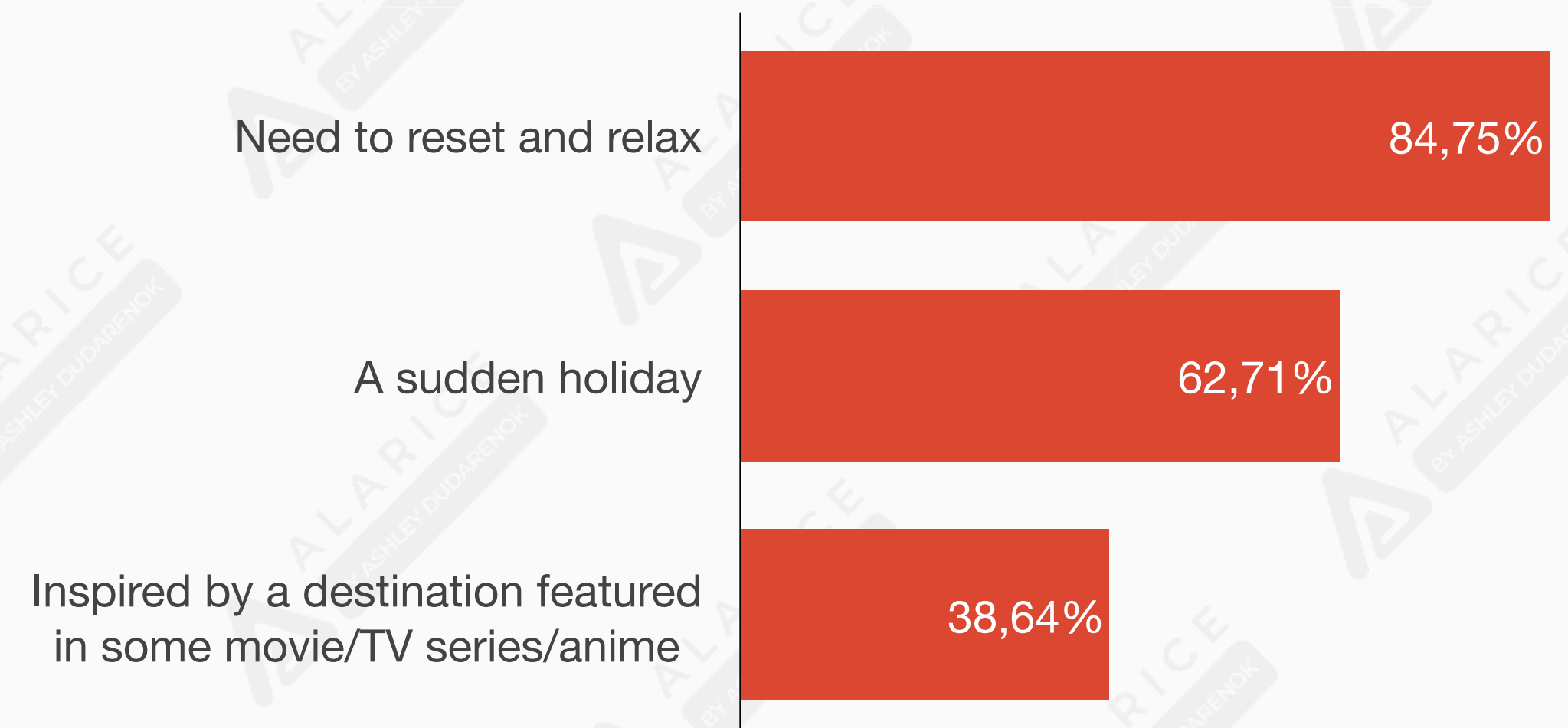
CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

In terms of **travel motivations**, 84.75% want to reset and relax through travel, followed by the decision to travel in response to sudden holidays, accounting for 62.71%.

While 38.64% of people who had watched a movie/TV series or anime said they were inspired by the destination.

GEN Z TRAVEL MOTIVATIONS (2020)



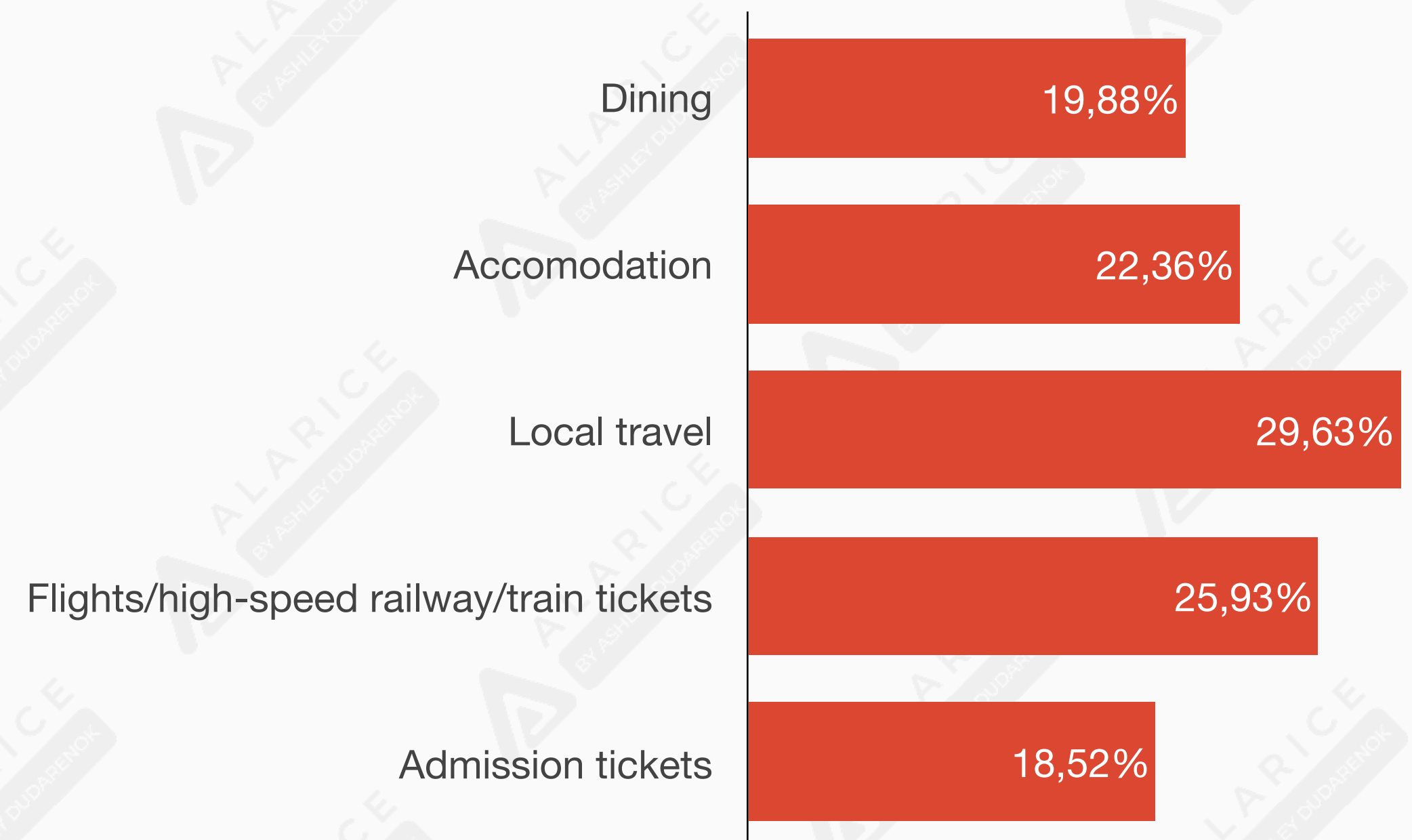
CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

As for the **impact of Covid-19**, data shows that 47.2% of the interviewees said that the pandemic will have a small impact on their tourism consumption level.

On the contrary, 16.77% believe that the slowing down of the pandemic will increase consumption in terms of food, accommodation and local travel.

INDUSTRIES THAT SAW AN INCREASE IN CONSUMPTION DUE TO PANDEMIC TRAVEL RESTRICTIONS (2020)



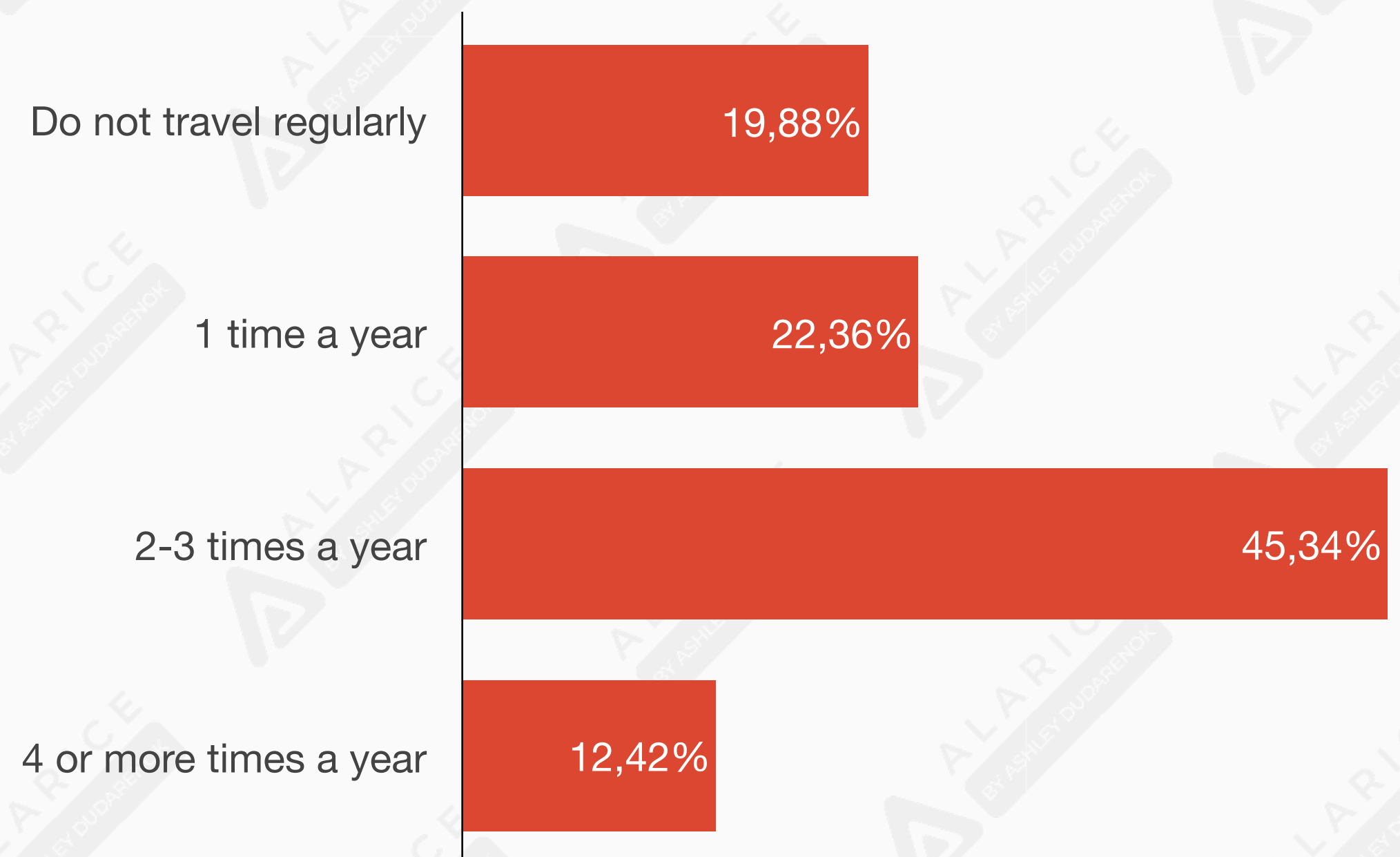
CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

In the post-pandemic era, Gen Z is still looking forward to travel, preferring safer traveling surroundings.

Gen Z travels frequently and is keen to appreciate the scenery and experience different customs during the journey.

GEN Z TRAVEL FREQUENCY (2020)



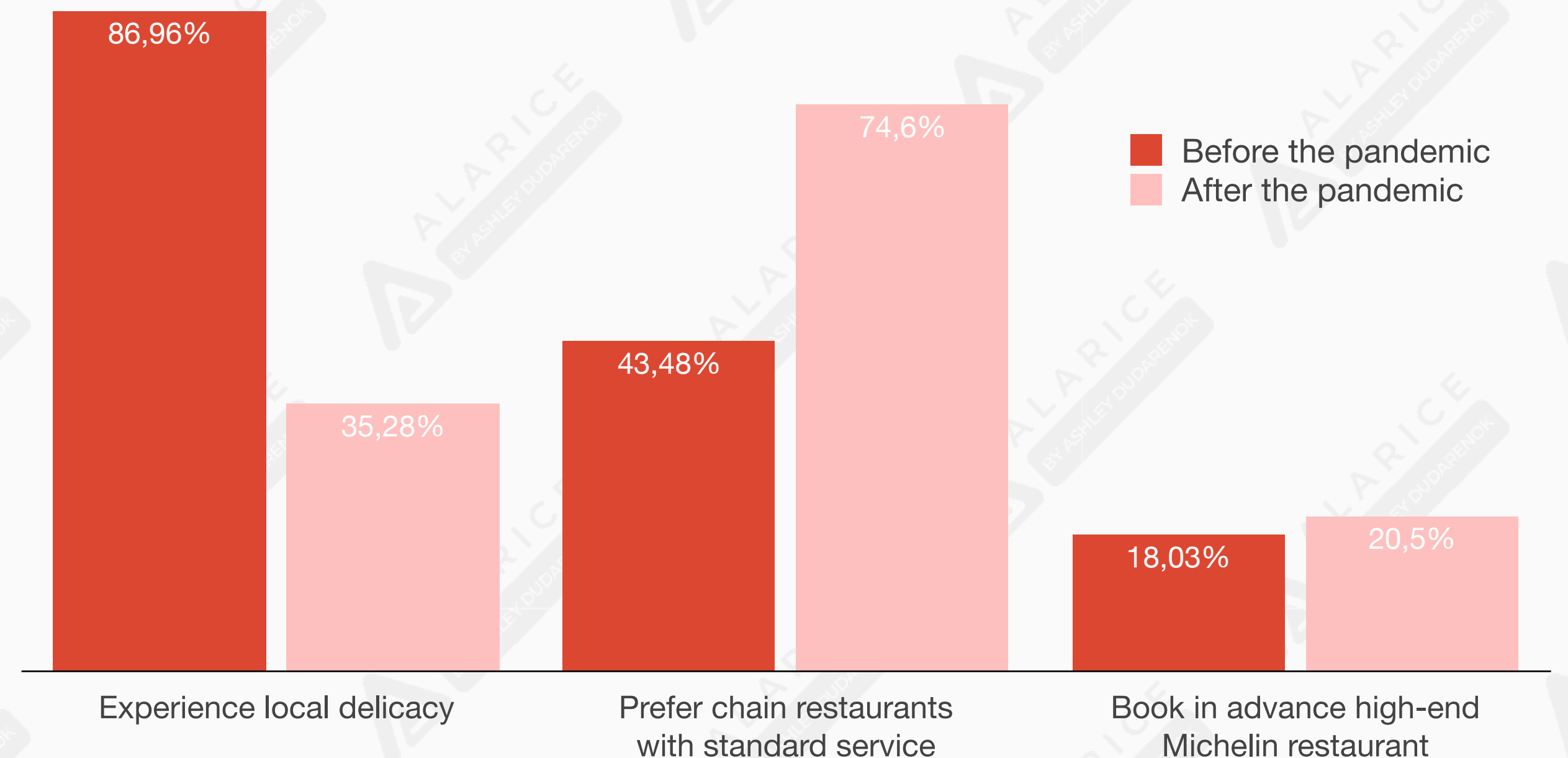
CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

In terms of **dining options**, before the epidemic, people preferred to experience local specialities and snacks and there were no distinct requirements for the dining environment.

After the epidemic, people's **requirement for the dining environment has increased.**

GEN Z'S POST-PANDEMIC CHANGE IN FOOD CONSUMPTION PREFERENCES AS TOURISTS (2020)



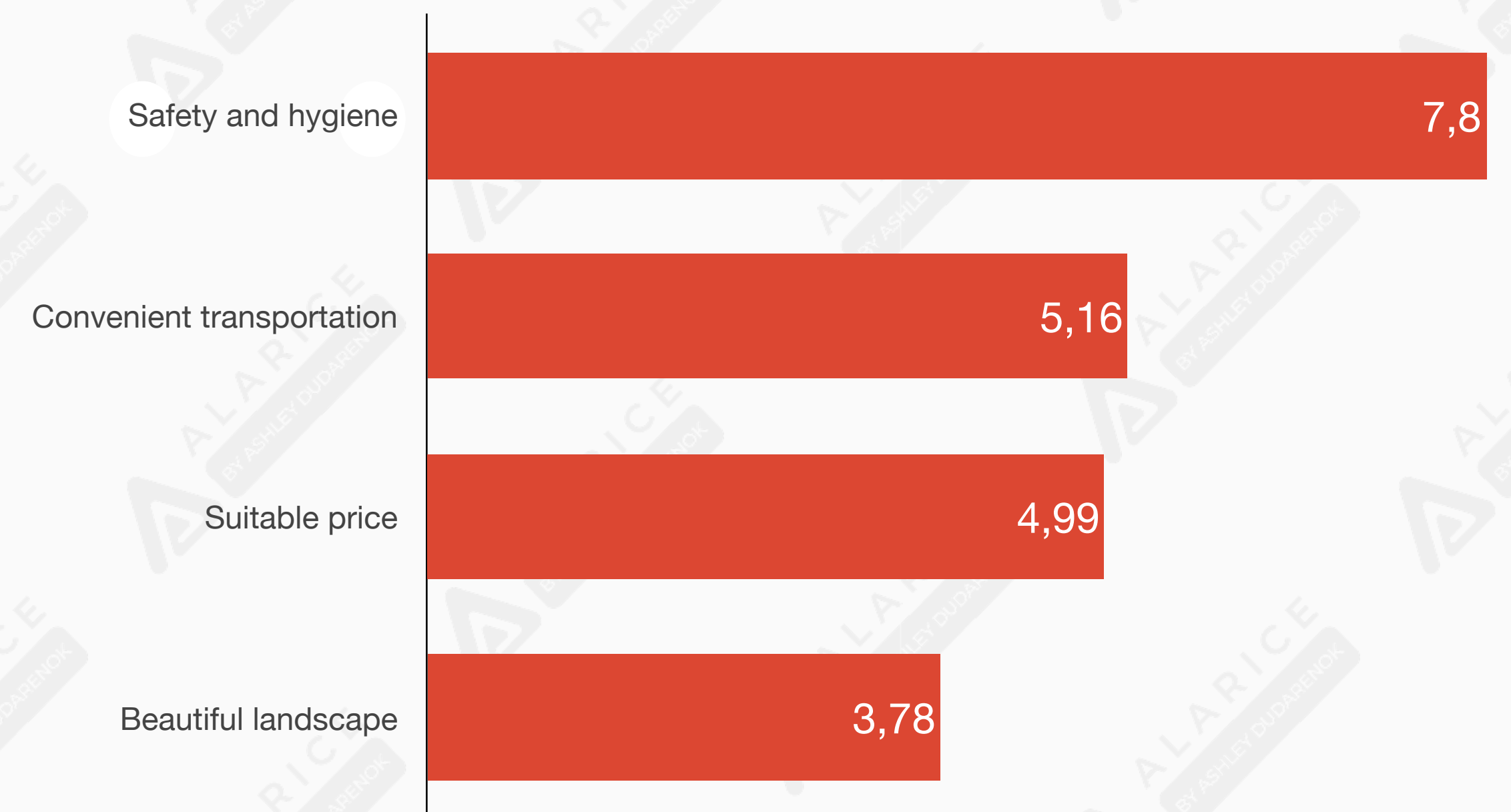
CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

Gen Z do not pay attention to only having fun, but to having fun with a peace of mind.

Safety and hygiene are the top priority factors for Gen Z when choosing accomodation. Followed by convenient transportation, price and lastly landscape.

RANKING OF FACTORS THAT INFLUENCE THE CHOICE OF A HOTEL/GUESTHOUSE (2020) (IN POINTS, 10 BEING THE HIGHEST GRADE)



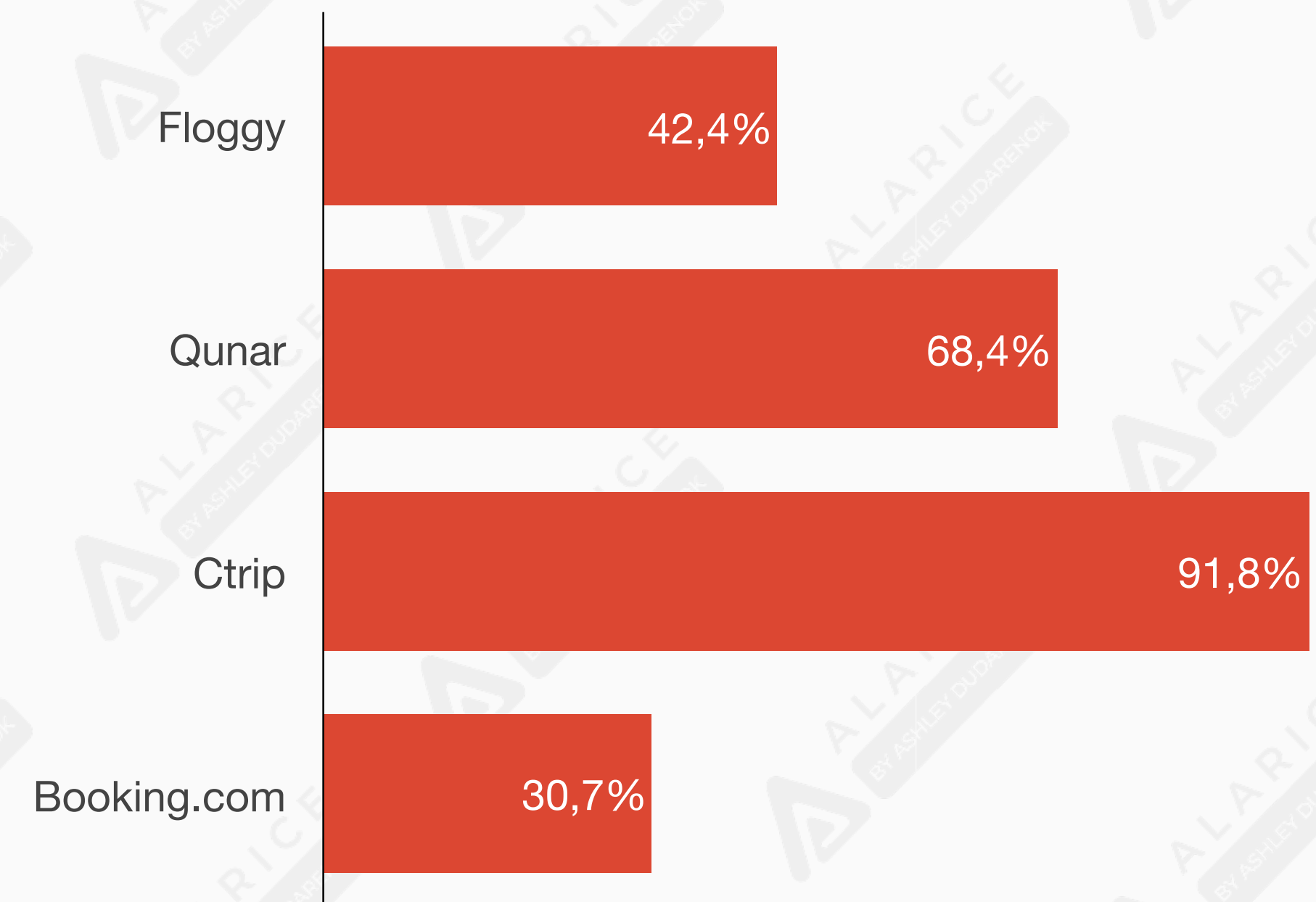
CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

Social media and online services are becoming increasingly important for travel bookings and travel growth.

Ctrip, Qunar and Fliggy provide majority of online platform growth with Gen Z utilising them heavily.

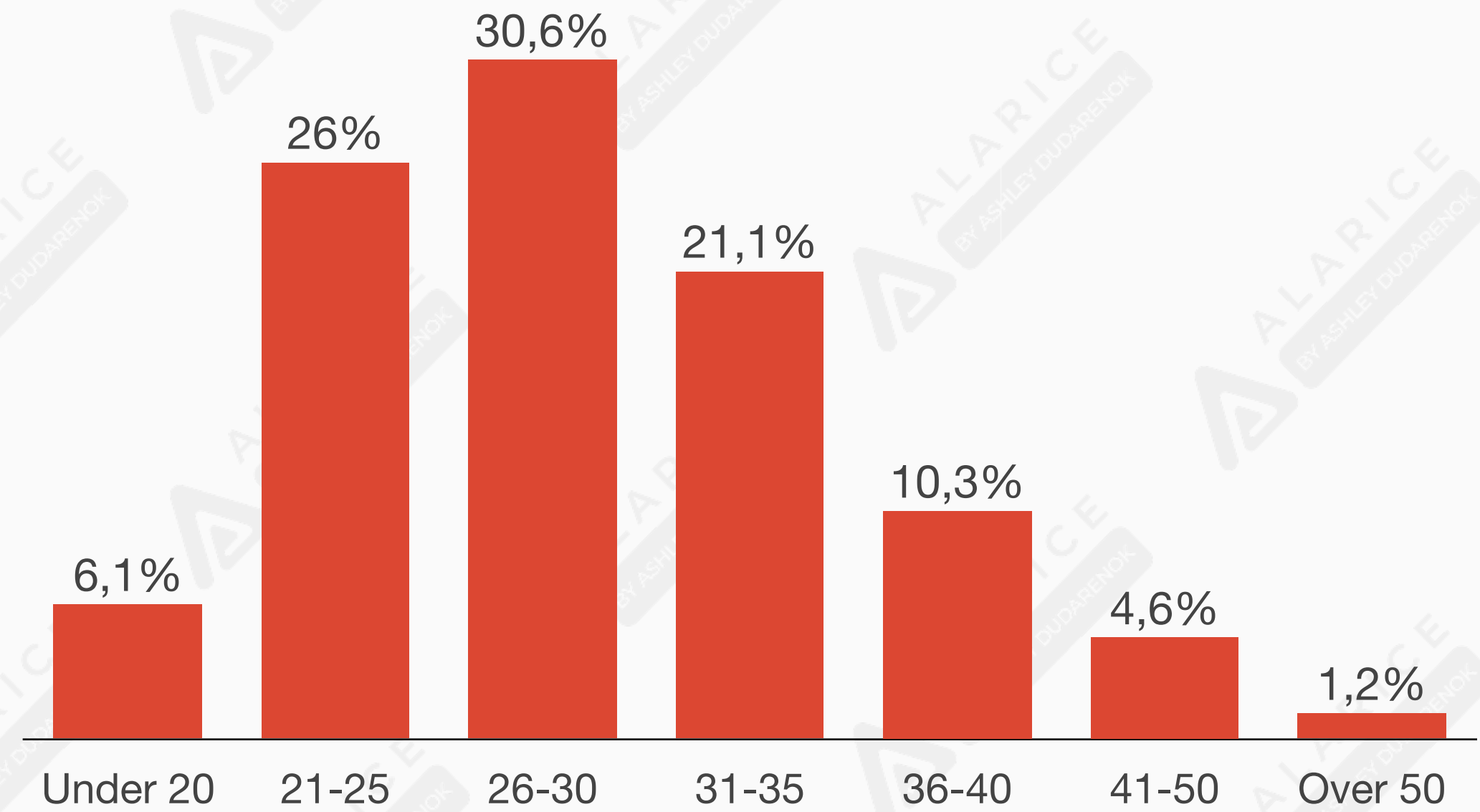
PLATFORMS ON WHICH GEN Z SPENDS OVER 10000 RMB PER YEAR (2021)



CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

AGE DISTRIBUTION OF QUNAR TRAVEL PLATFORM USERS (2021)



Qunar has an obvious trend of younger users: 80% are between the age of 21 to 35. These users are in the growing stage of their career, with a strong demand for improving the quality of life and a higher consumption potential.

CONSUMER INSIGHTS

GEN Z TRAVEL CONSUMPTION TRENDS

85.09% of Gen Z are keen to share their travel content on the internet. Amongst them, 60% like to share their experience while traveling, and nearly half would organise and share their travel tips and notes after the trip.

64.6% of Gen Z interviewed said they would consider destinations recommended by their friends.

54.72% would take inspiration when choosing a destination from Mafengwo or similar platforms.



85.09%
**OF GEN Z LIKE TO SHARE TRAVEL
CONTENT ONLINE**



64.6%
**OF GEN Z WOULD CONSIDER
DESTINATIONS RECOMMENDED
BY FRIENDS**

CONSUMER INSIGHTS

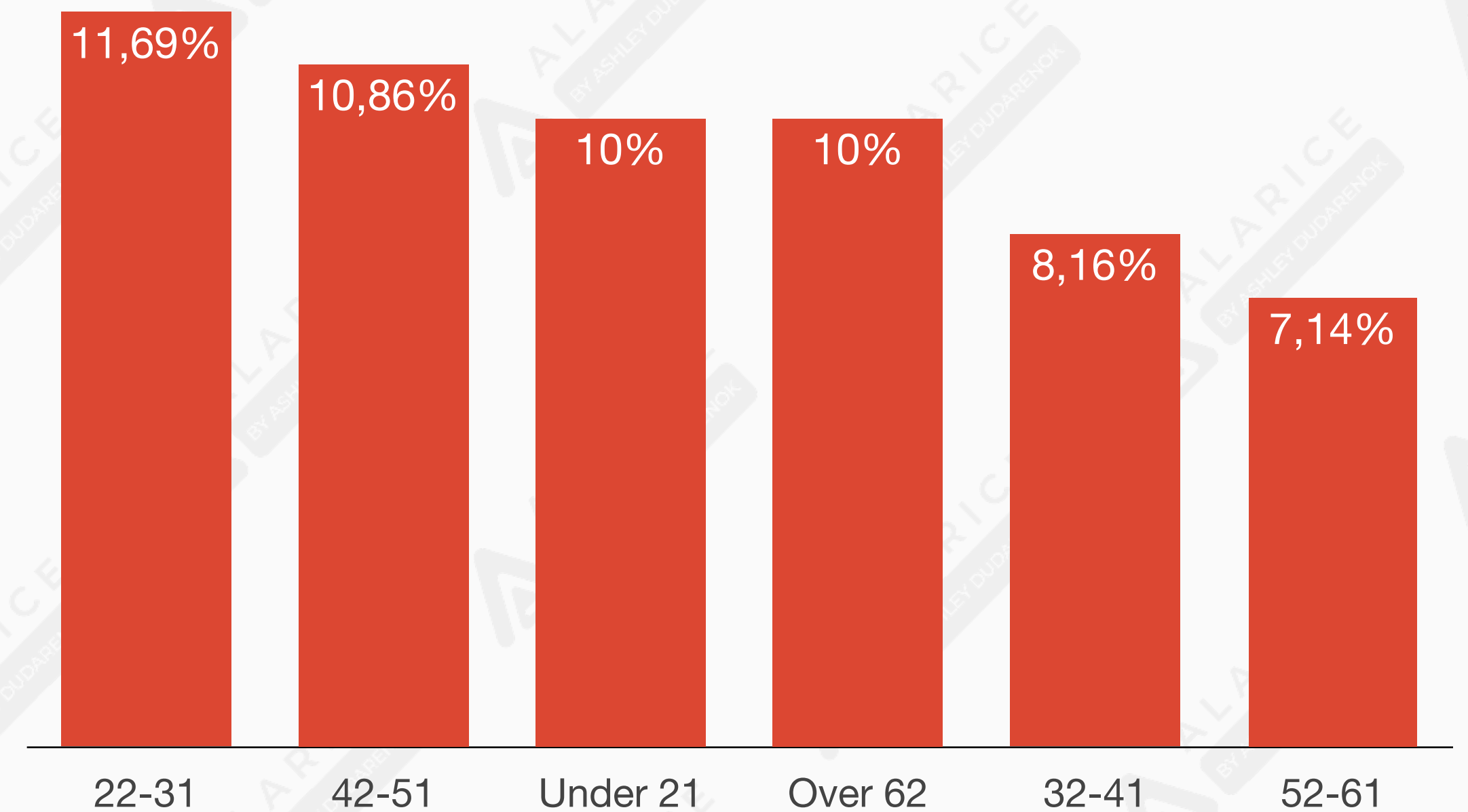
GEN Z TRAVEL CONSUMPTION TRENDS

Gen Z has become the core consumer group for "**Red Tourism**", showing a positive attitude towards the trend of visiting locations with historical significance linked to the Chinese Communist Party.

TOP 5 MOST POPULAR RED TOURISM DESTINATIONS FOR GEN Z (2021)

	CITY
1	Beijing
2	Yan'an
3	Jinggangshan
4	Changsha
5	Nanchang

AGE DISTRIBUTION OF CONSUMERS INTERESTED IN RED TOURISM (2021)



CONSUMER INSIGHTS

GEN Z GUOCHAO CONSUMPTION TRENDS

Gen Z has a strong interest in the inheritance and preservation of traditional culture. The pop culture of the younger generation is called **Guochao** and it combines elements of traditional culture with modern fashion trends to form a unique new style.

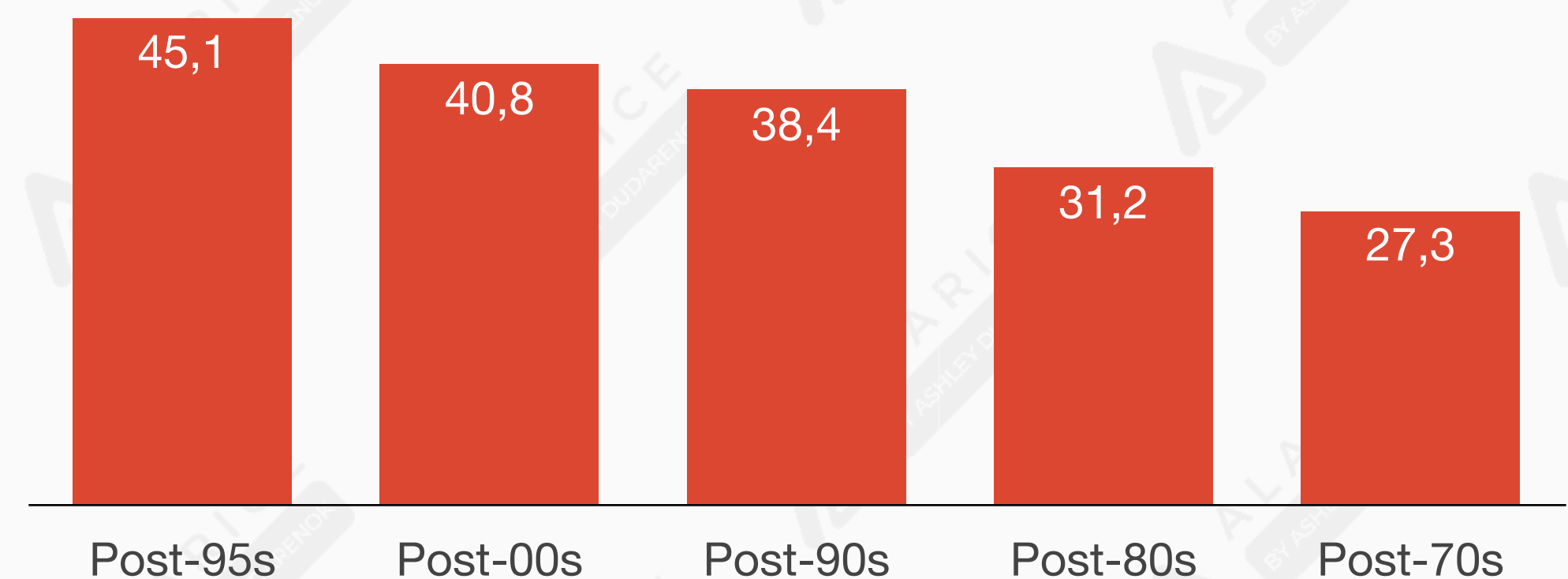
But Guochao isn't just a fashion trend, it is a **reflection of young people's recognition and pride in the Chinese culture.**

Guochao can be found across different industries, such as luxury, apparel, sneakers, F&B and cosmetics. The **main Guochao cosmetics consumers are Gen Z who live in lower-tier cities.**



80% OF GEN Z
CONSUME GUOCHAO PRODUCTS

PROPORTION OF PEOPLE FROM DIFFERENT AGE GROUPS THAT OFTEN BUY PRODUCTS WITH GUOCHAO ELEMENTS



Sources:

1) Tencent "Eight Major Trends, Insiders into New Consumer Brands' Strategy", April 26, 2021

2) Daxueconsulting Guochao Marketing Report, May 31, 2021

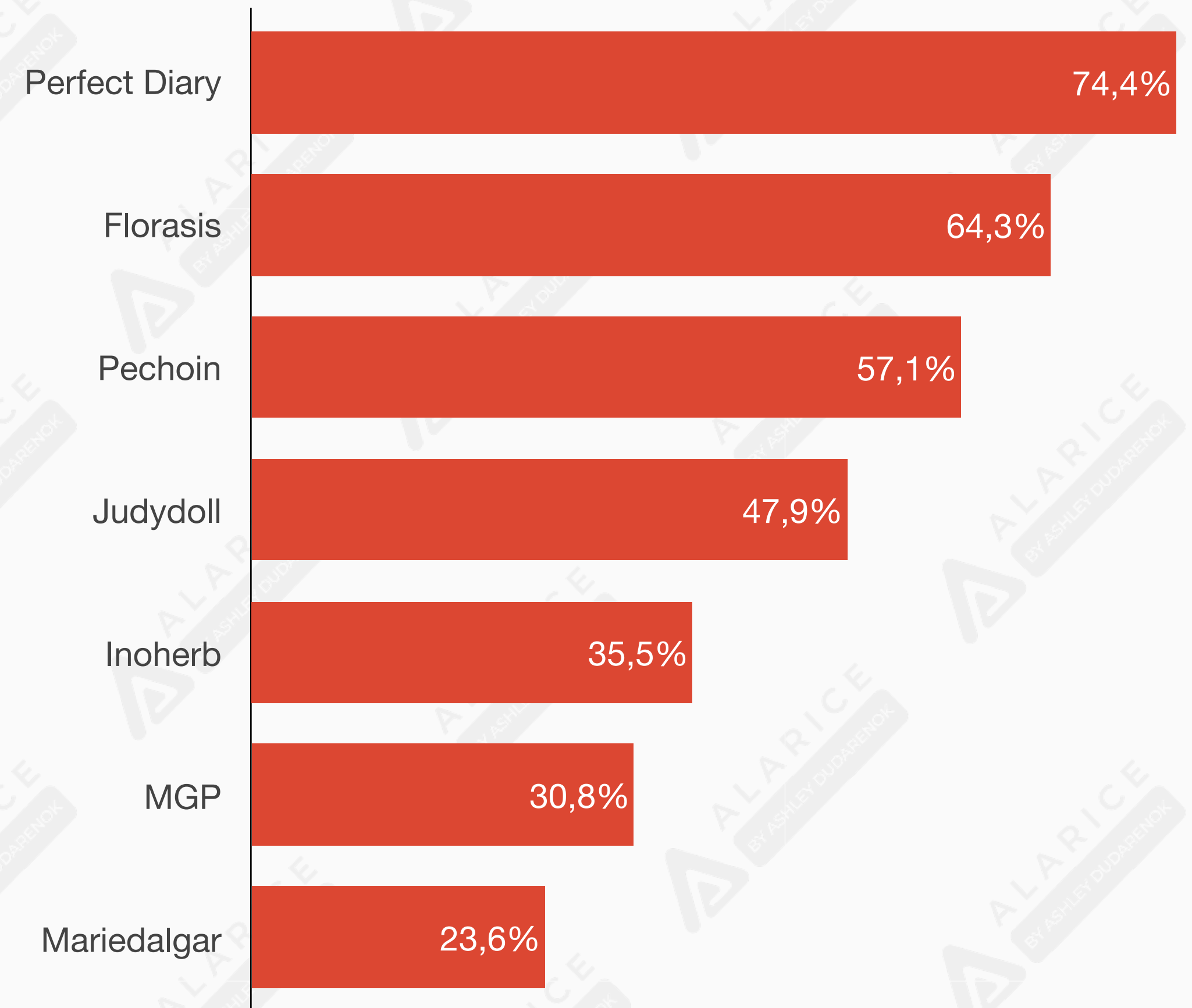
CONSUMER INSIGHTS

GEN Z GUOCHAO CONSUMPTION TRENDS

Perfect Diary and Florasis are the most appreciated domestic beauty and cosmetics brands by Gen, as they have strong Chinese Style (国风Guofeng) elements.

Some products that perfectly represent these elements are Perfect Diary's eyeshadow palettes in collaboration with China's National Geographic and Florasis' West Lake gift boxes.

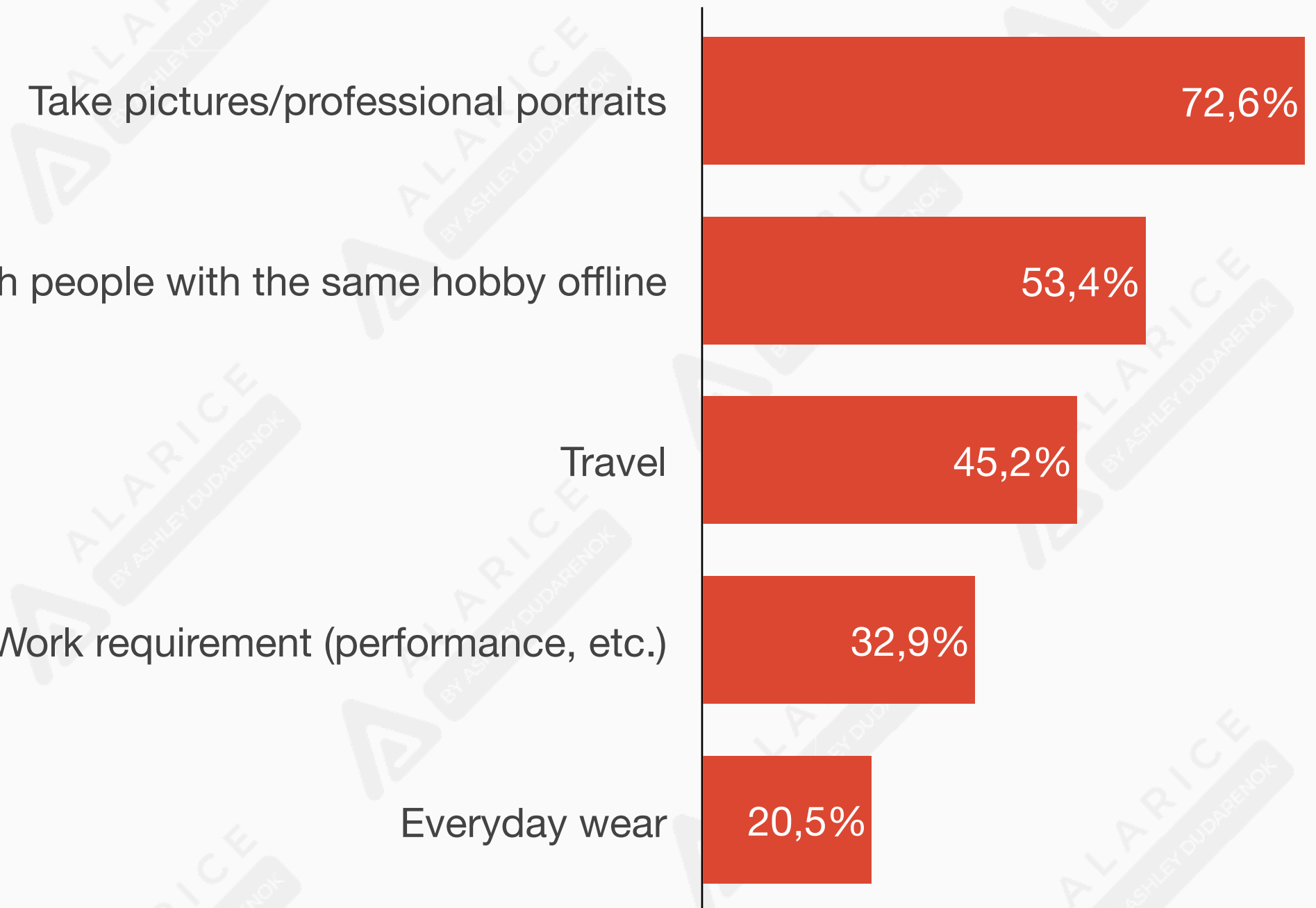
LIST OF DOMESTIC BRANDS LOVED BY GEN Z



CONSUMER INSIGHTS

GEN Z GUOCHAO CONSUMPTION TRENDS

GEN Z'S PREFERRED SCENARIOS FOR WEARING HANFU (2021)



Gen Z loves to wear **Hanfu** (Traditional Clothing of Han Ethnicity) to visit cities such as Hangzhou, Xi'an and Suzhou and to take advantage of the traditional Chinese style scenery to take pictures.

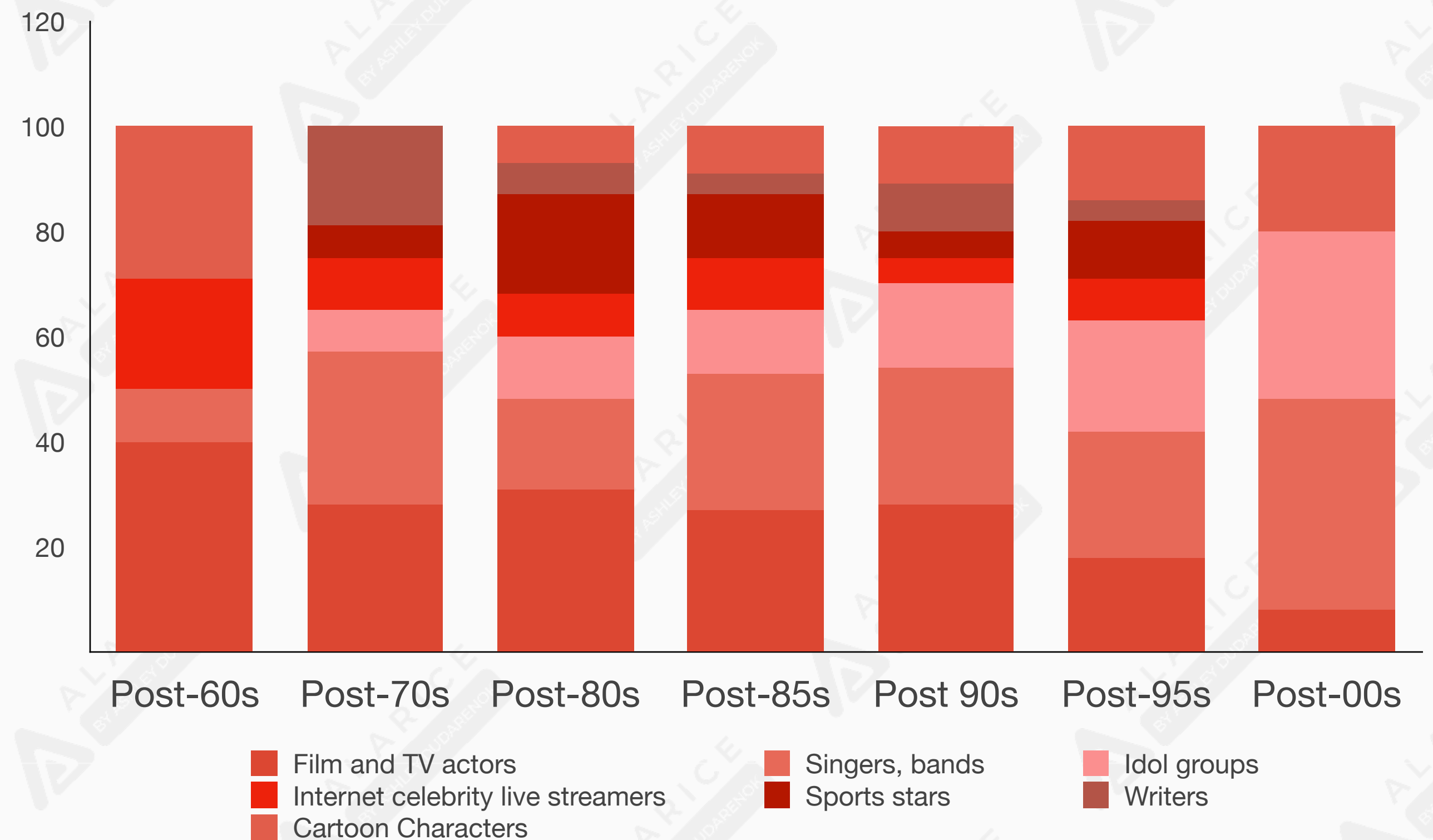
CONSUMER INSIGHTS

GEN Z FAN ECONOMY CONSUMPTION TRENDS

Younger Gen Zs are the ones participating the most in the fan economy. Post-90s make up less than 30% of star-chasers, while Post-95s and Post-00s respectively account for 50.82% and 70%.

Different age groups chase different stars: the younger generations prefers idol groups, in particular more than 60% of Post-00s are fans of idol groups.

STAR CHASING AMONG DIFFERENT AGE GROUPS (2021)



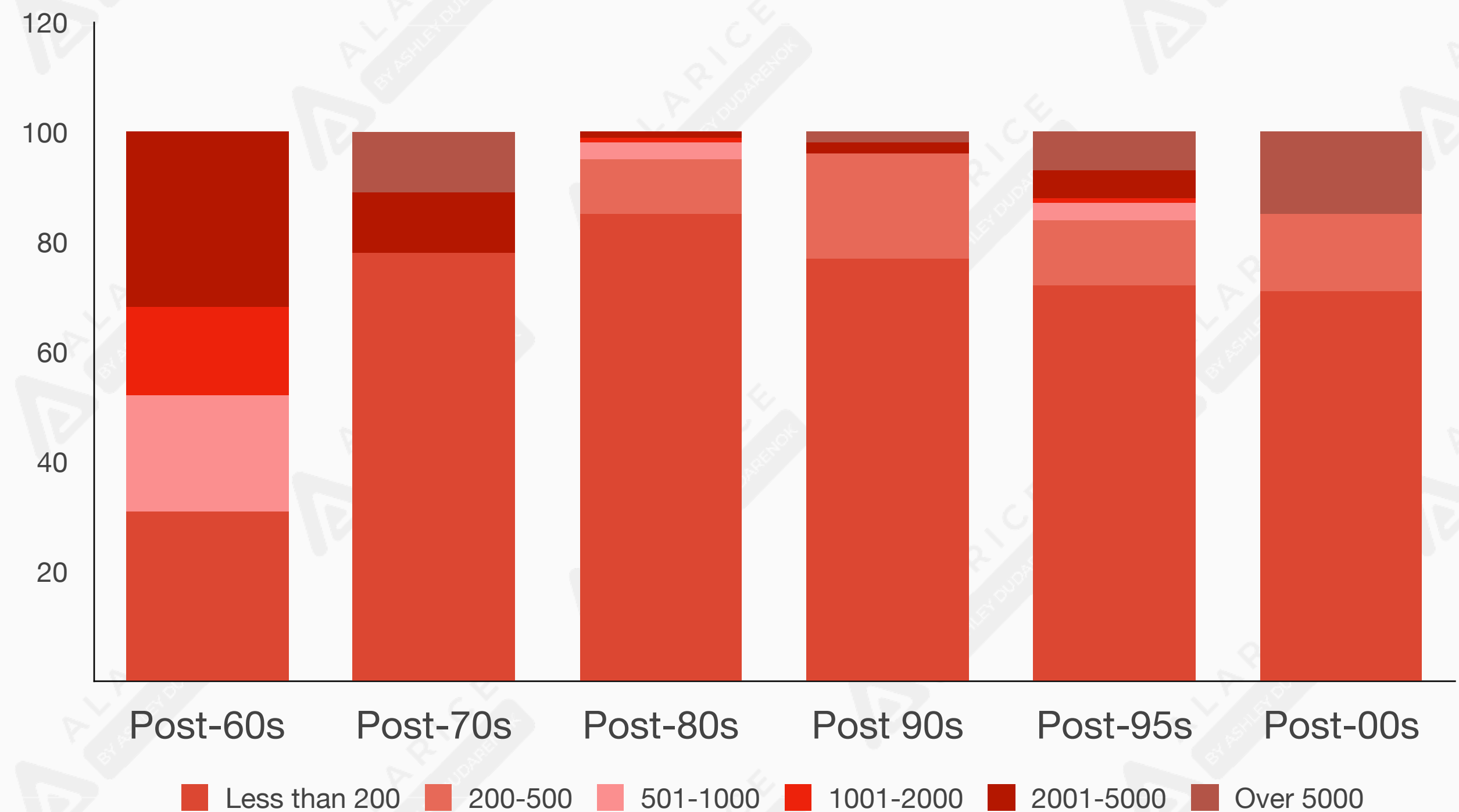
CONSUMER INSIGHTS

GEN Z FAN ECONOMY CONSUMPTION TRENDS

AVERAGE MONTHLY CONSUMPTION IN RMB FOR FANS IN DIFFERENT AGE GROUPS (2021)

For many Gen Zs, **idol consumption is considered in a hobby**. In order to support their favourite idol, fans will spend a significant amount buying themed merchandise and would even purchase multiples of the same product and gift them to family and friends.

14.89% of Post-00s spend more than 5,000 yuan per month for star chasing.

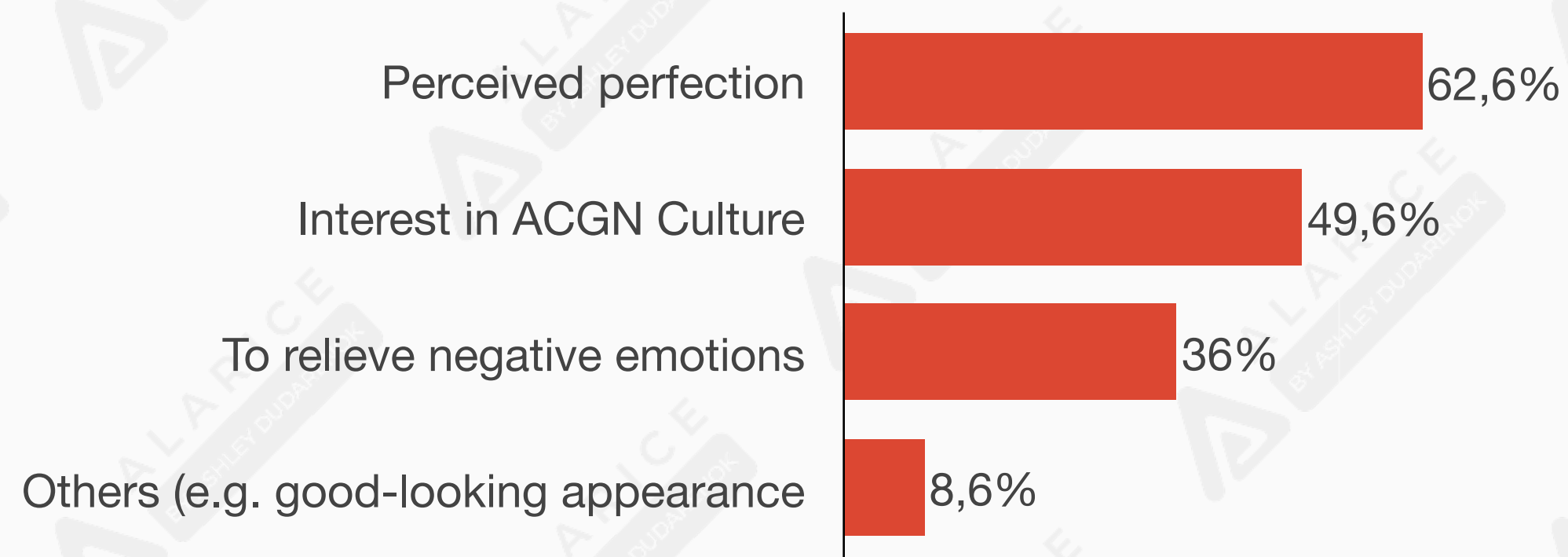


CONSUMER INSIGHTS

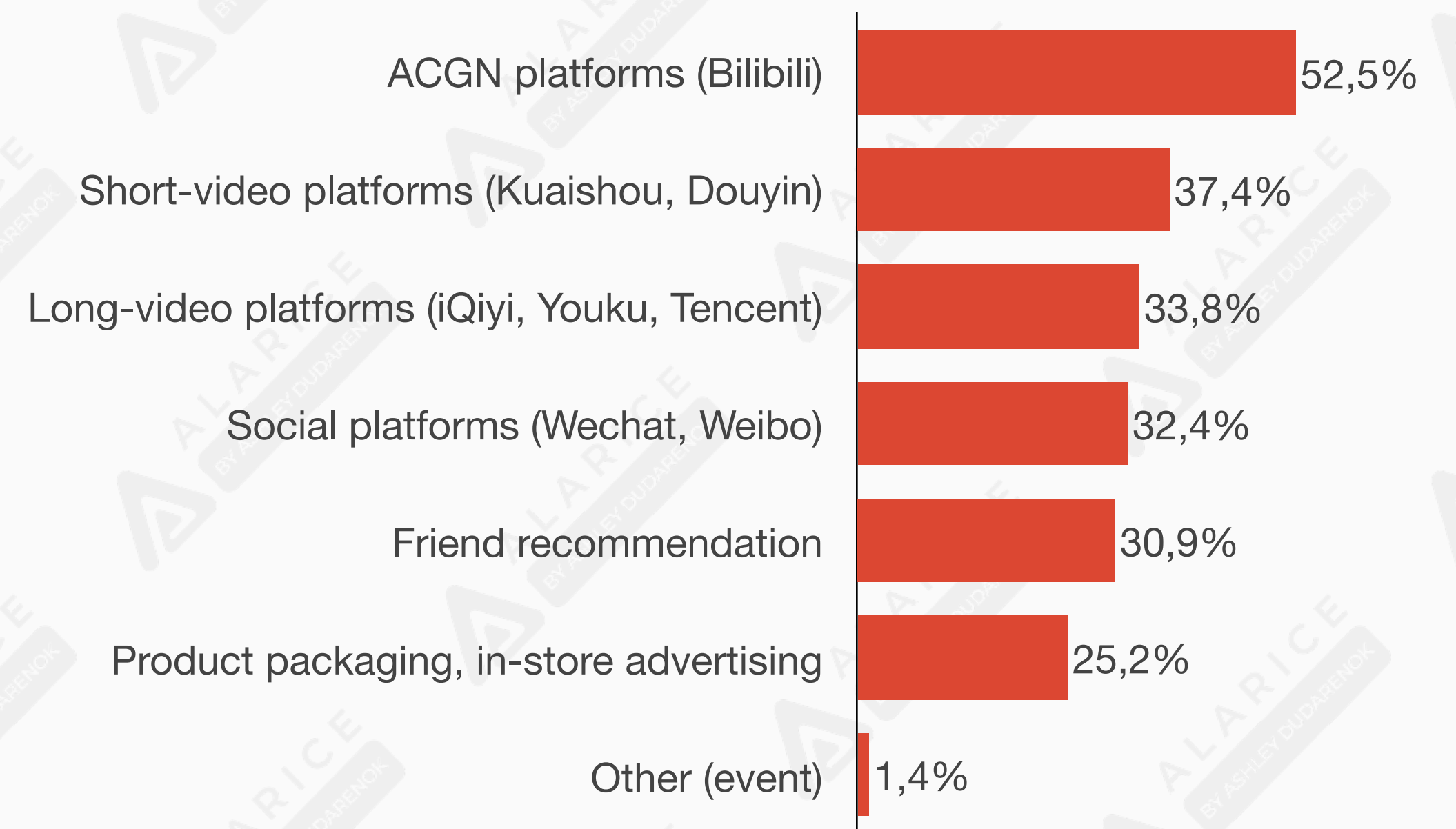
GEN Z FAN ECONOMY CONSUMPTION TRENDS

Gen Zs are also "metauniverse" enthusiasts. It is their rising spending power that has led to an increase in the commercial value of **virtual idols**. Through their online presence, virtual celebrities can convey values and life attitudes in line with Post-90s and Post-00s, while providing new entertainment experiences at the same time.

REASONS WHY POST-95S LIKE VIRTUAL IDOLS (2021)



CHANNELS THROUGH WHICH POST-95S DISCOVER VIRTUAL IDOLS (2021)

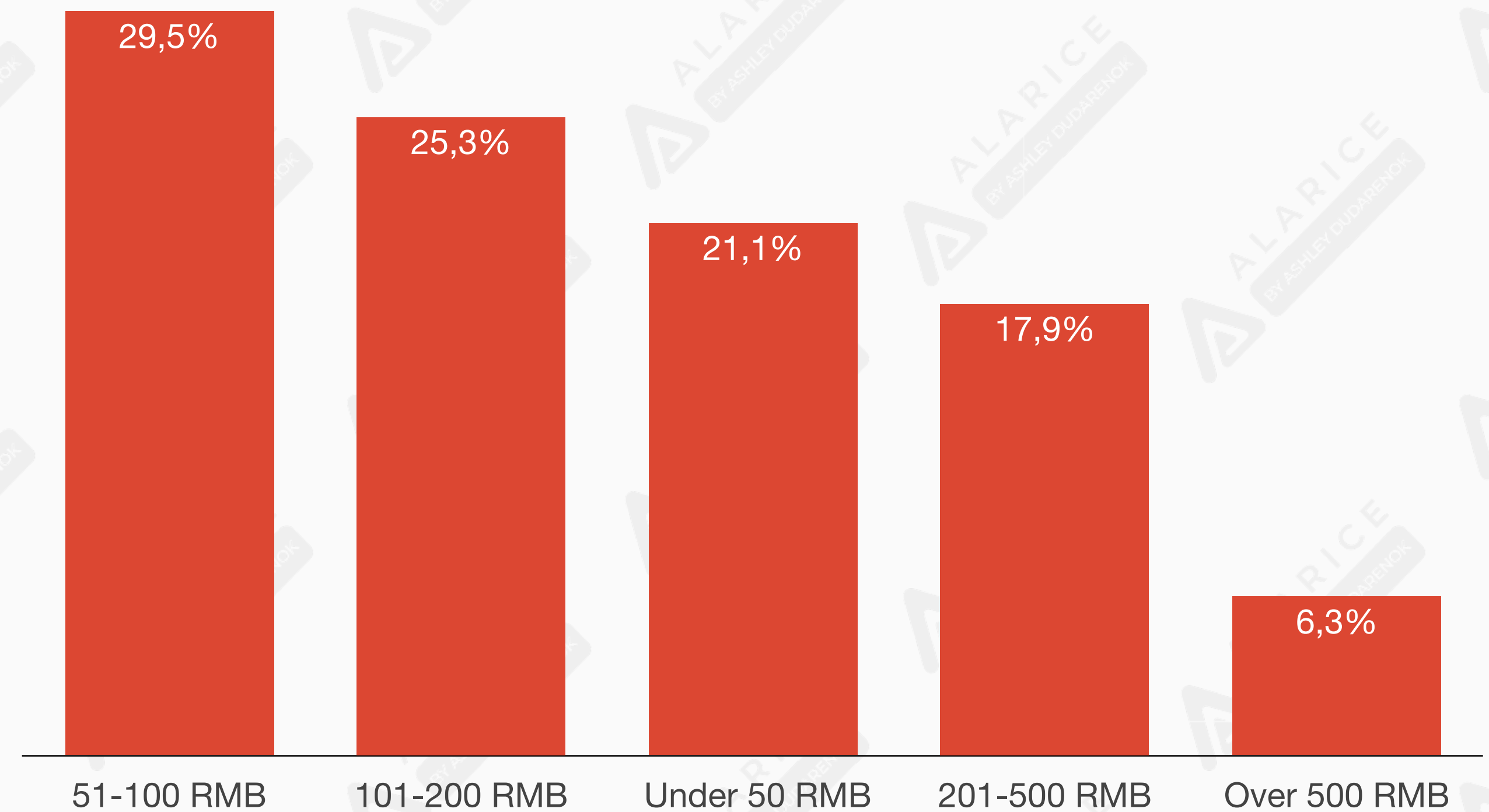


CONSUMER INSIGHTS

GEN Z FAN ECONOMY CONSUMPTION TRENDS

When it comes to virtual idols, although the willingness to pay is lower, as the market continues to grow in China, consumers will spend more for virtual internet celebrities.

AMOUNT POST-95 ARE WILLING TO SPEND FOR VIRTUAL INFLUENCER EACH YEAR IN THE NEXT FIVE YEARS (2021)



EXPERT BITES

Q: WHAT IMPORTANT CHANGES DO YOU SEE IN GEN Z'S CONSUMPTION BEHAVIOUR?



SYCA JIANG

Head of Strategy at
Alarice and Chozan

With trends around health and green consumption deepening, **Gen Z's demand for health products and services has greatly increased.** For example, they prefer more than other age groups to buy products that market themselves as low in sugar, fat and calories. Domestic drink brand Genki Forest was successful despite fierce competition because it accurately identified Gen Z's demand for healthy and tasty products in fresh and attractive packaging.

Meal replacement foods are expected to become the next focus of consumption. Making purchases for enjoyment and increasing spending to pursue higher quality and new experiences are also trends for Gen Z

GOT A QUESTION? DROP SYCA AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT'S TRENDING WITH GEN Z RIGHT NOW?



STELLA ZHAN

Marketing Executive At
Alarice and Chozan

Generation Z is more willing to pay for a sense of fun during the consumption experience. For example, purchasing blind boxes has suspense, fun, excitement and social sharing built right into the experience. Buying merch from their favorite idols and supporting their endorsements is enjoyable for fans and social media hosts online communities for fan clubs. They'll also spend for niche hobbies they love, mostly related to anime, comics, gaming (ACG) and Hanfu.

Aesthetic promotion. They pay attention to design. Brands featuring attractive packaging and good design are perfect for photo-sharing on social media and popular with Gen Z.

GOT A QUESTION? DROP STELLA AN EMAIL BY SCANNING THE QR CODE



EXPERT BITES

Q: WHAT ARE SOME HOT CONSUMPTION TRENDS FOR GEN Z RIGHT NOW?



DENISE SUN

Digital Marketing Intern
at Alarice & ChoZan

Consumer trend 1: Focus on experience (blind box)

In addition to pursuing product quality, Gen Z is paying attention to consumer experience, willing to pay for pleasure. For example, blind boxes have allowed them to experience the “excitement” aspect in consumption.

Consumer trend 2: Consumption for beauty (beauty products, internet celebrity restaurants, Instagram-style products)

Generation Z values the look, quality and design of products. They purchase a richer variety of skin care products and focus on the products' efficacy, safety, design concepts, brand values and cultural sentiments.

Consumption trend 3: Consumption for idols (internet celebrities, star idols)

Generation Z is willing to pay for their hobbies, which is why the idol economy is gaining in popularity.

GOT A QUESTION? DROP DENISE AN EMAIL BY SCANNING THE QR CODE

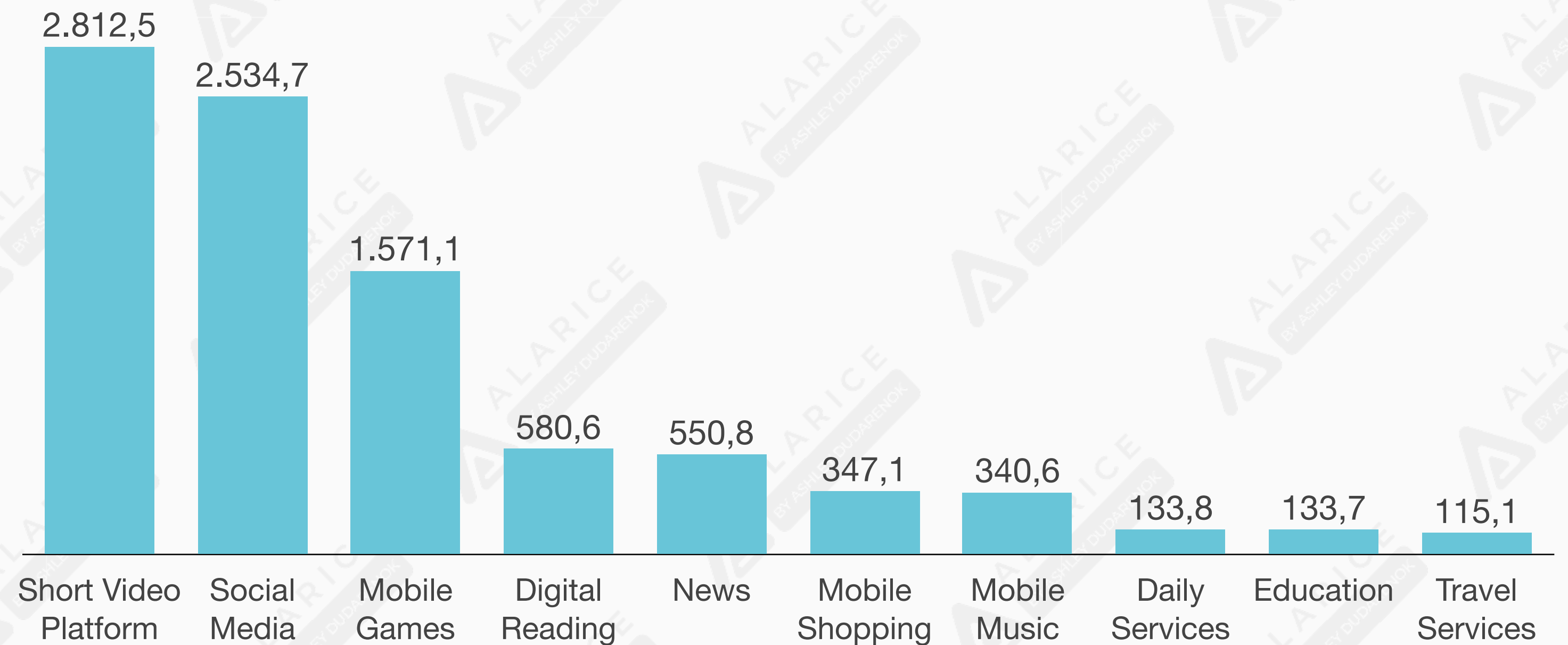


SOCIAL MEDIA INSIGHTS

SOCIAL MEDIA

GEN Z PREFERRED CONTENT TYPE

POST-00S AVERAGE MONTHLY USAGE PER PERSON BY CONTENT TYPE (SEPT. 2020) (IN MINUTES)



Gen Z mainly spend their time on **short video platforms**, social media and mobile games.

Sources:
 1) QuestMobile 2020 Gen Z Insight Report
 2) Tencent "In-depth Analysis of Gen Z and Future Marketing Trends", March 31, 2021

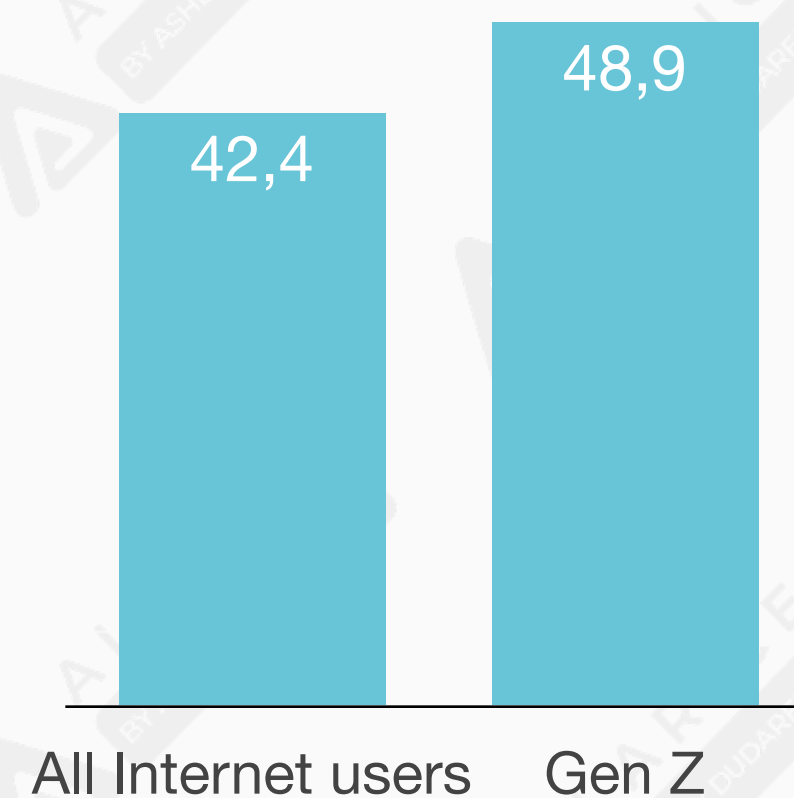
SOCIAL MEDIA

GEN Z PREFERRED CONTENT TYPE

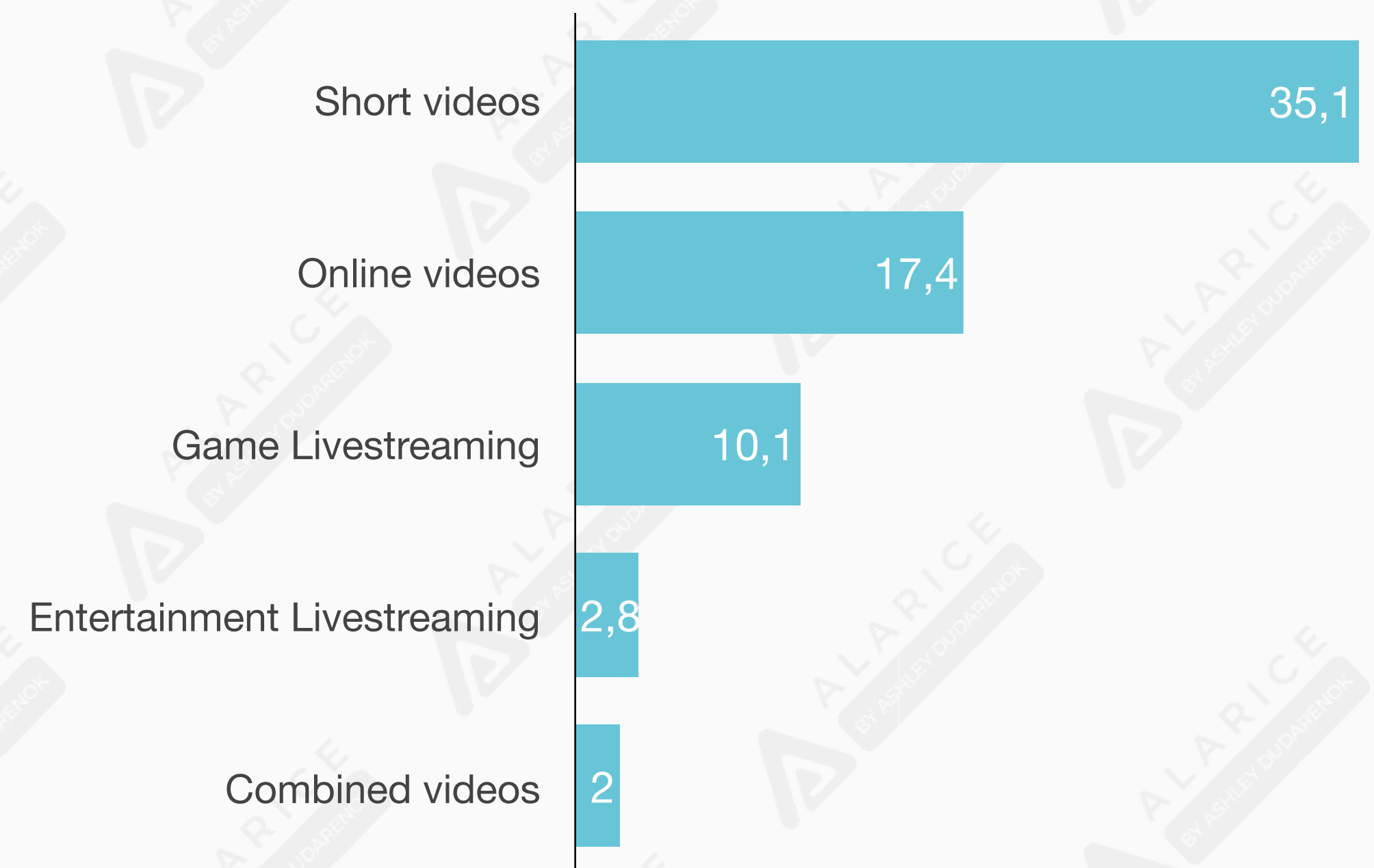
Video is the most appreciated form of entertainment by Gen Z:

- the average person spends nearly 50 hours on video entertainment every month
- short videos, online dramas, variety shows, gaming and entertainment livestreaming have become the centre of Gen Z's attention in the video entertainment field

**AVERAGE MONTHLY HOURS SPENT ON ONLINE VIDEOS
(NOVEMBER 2020)**



TOP 5 VIDEO CATEGORIES ACCORDING TO AVERAGE MONTHLY USAGE HOURS (NOVEMBER 2020)

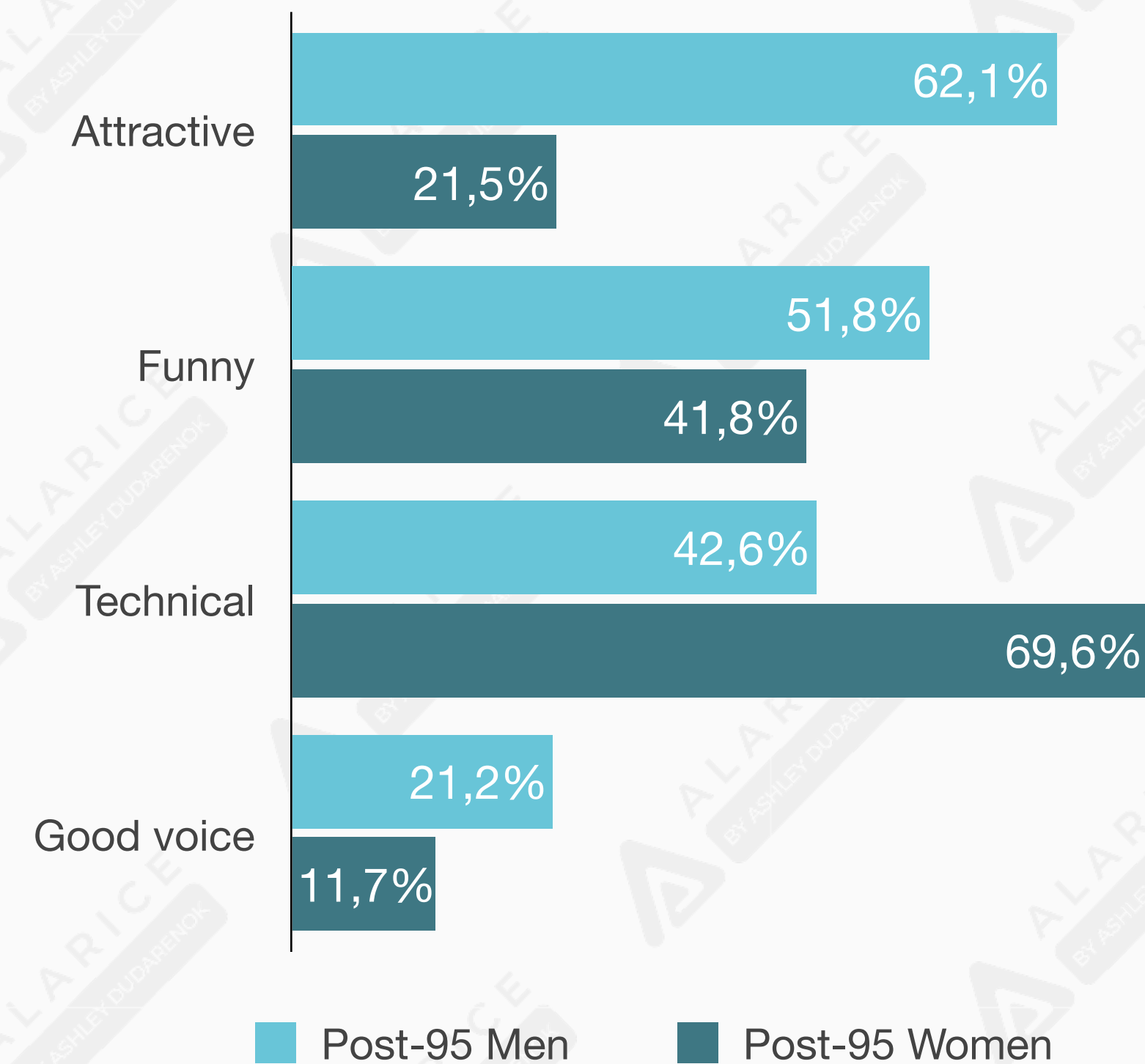


SOCIAL MEDIA

GEN Z PREFERRED CONTENT TYPE

When it comes **livestream gamers**, male users seem to reward anchors with technical skills, while girls want to be captured by their beauty.

REWARD PREFERENCES FOR LIVE STREAM GAMERS AMONG POST-95 AUDIENCE (2021)

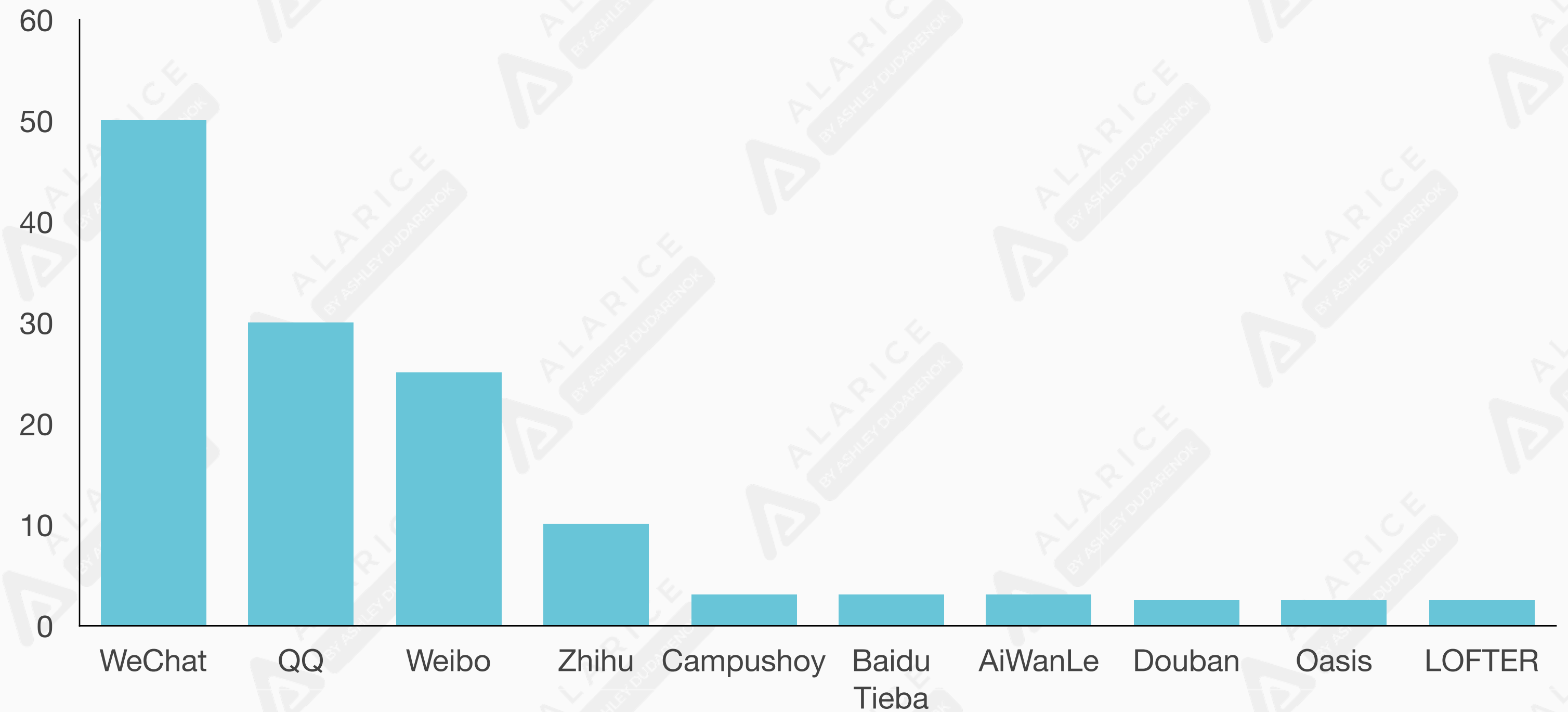


SOCIAL MEDIA

GEN Z WOMEN PREFERRED PLATFORMS

MOST LOVED SOCIAL MEDIA APPS BY POST-95 WOMEN, 2021 (IN MILLIONS)

Among the **most loved social media apps by Post-95 women** there is WeChat with 50 million users, QQ with 30 million, Weibo with over 20 million and Zhihu with 10 million.



SOCIAL MEDIA

BILIBILI PLATFORM

Bilibili is the **go-to platform for Gen Z**.

The **platform's userbase is generally younger compared to other video streaming platforms, extremely loyal and engaged**. Users are known for their off-beat humour, slight nerdiness and love for creativity. They seem to be more tolerant of sponsored videos uploaded by their favourite bloggers, as long as the content is creative and high quality.

Success on this platform requires deep understanding of its unique culture.



237.1 MILLION
MONTHLY ACTIVE USERS (2021 Q2)

↑ 38%
YEAR-ON-YEAR INCREASE

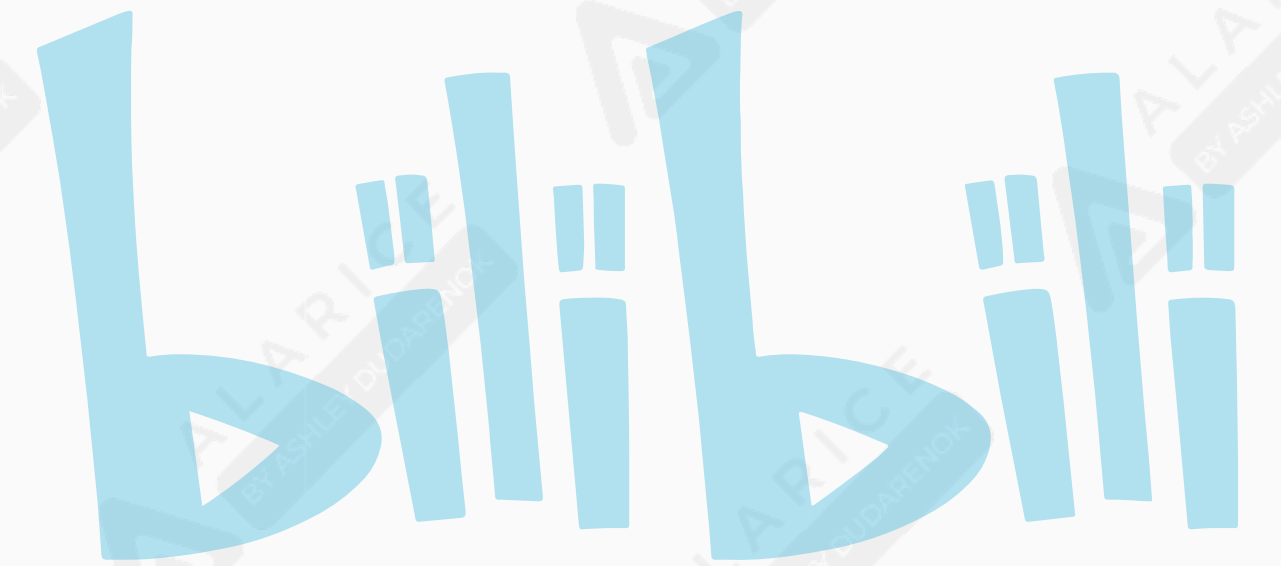


20.9 MILLION
MONTHLY PAYING USERS (2021 Q2)

↑ 62%
YEAR-ON-YEAR INCREASE

SOCIAL MEDIA

GEN Z USERS ON BILIBILI



21 YEARS

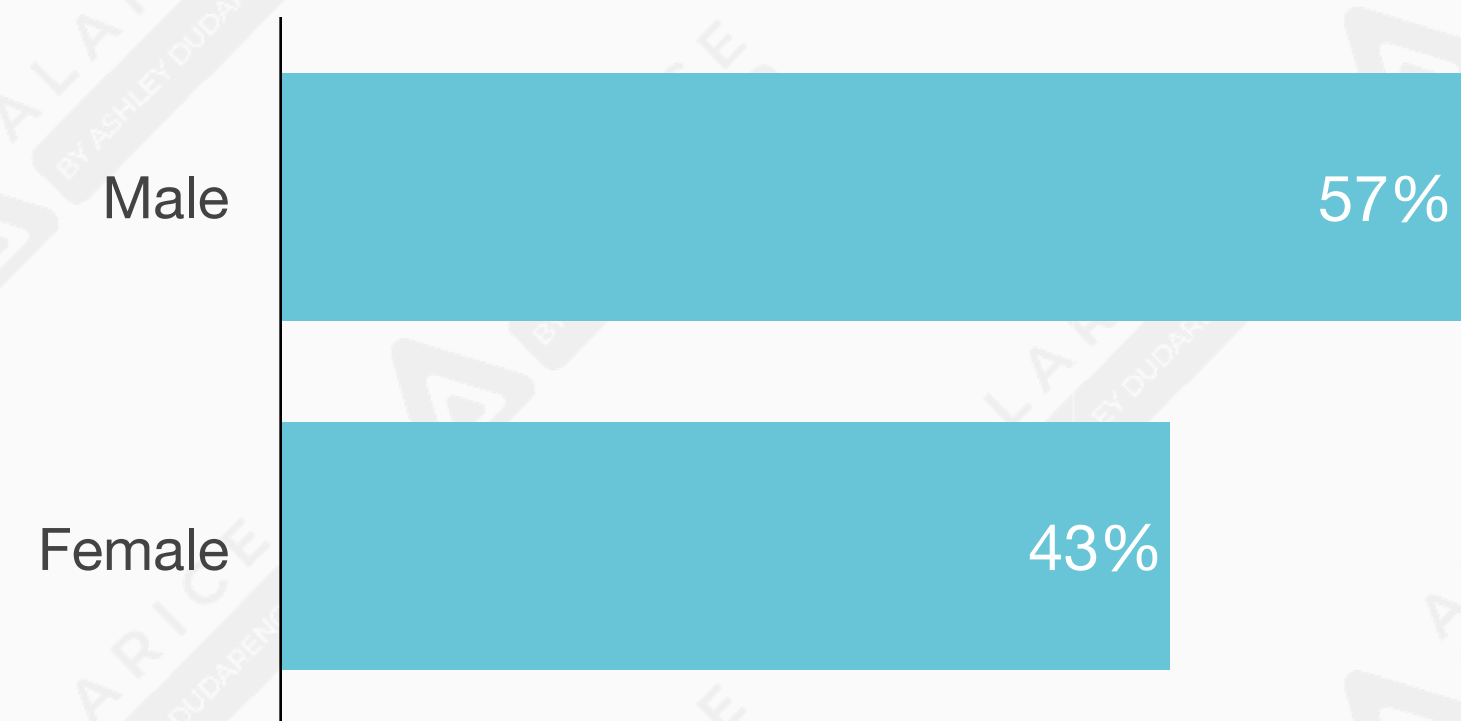
AVERAGE AGE OF NEW USERS IN THE PAST 3 YEARS

Gen Z users have a significant preference for station B.

In the past three years, the average age of new Bilibili users was 21 years old, and users aged 18-35 accounted for 78%.

In terms of gender ratio, the number of male users is slightly higher than that of female users. When it comes to educational background, the proportion of users with a bachelor degree or above is 10% higher than that of the entire network.

GEN Z USER PORTRAIT ON BILIBILI (2020)



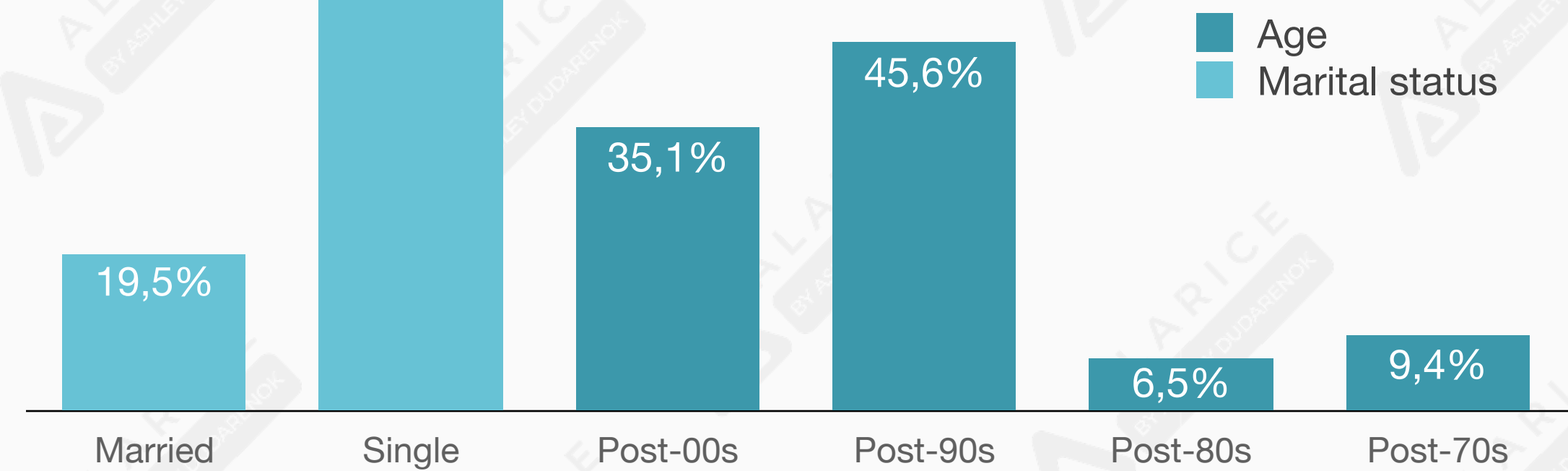
SOCIAL MEDIA

GEN Z USERS ON BILIBILI



BILIBILI APP USER PORTRAIT (MAR 2021)

Majority of Bilibili users are single Gen Zs.

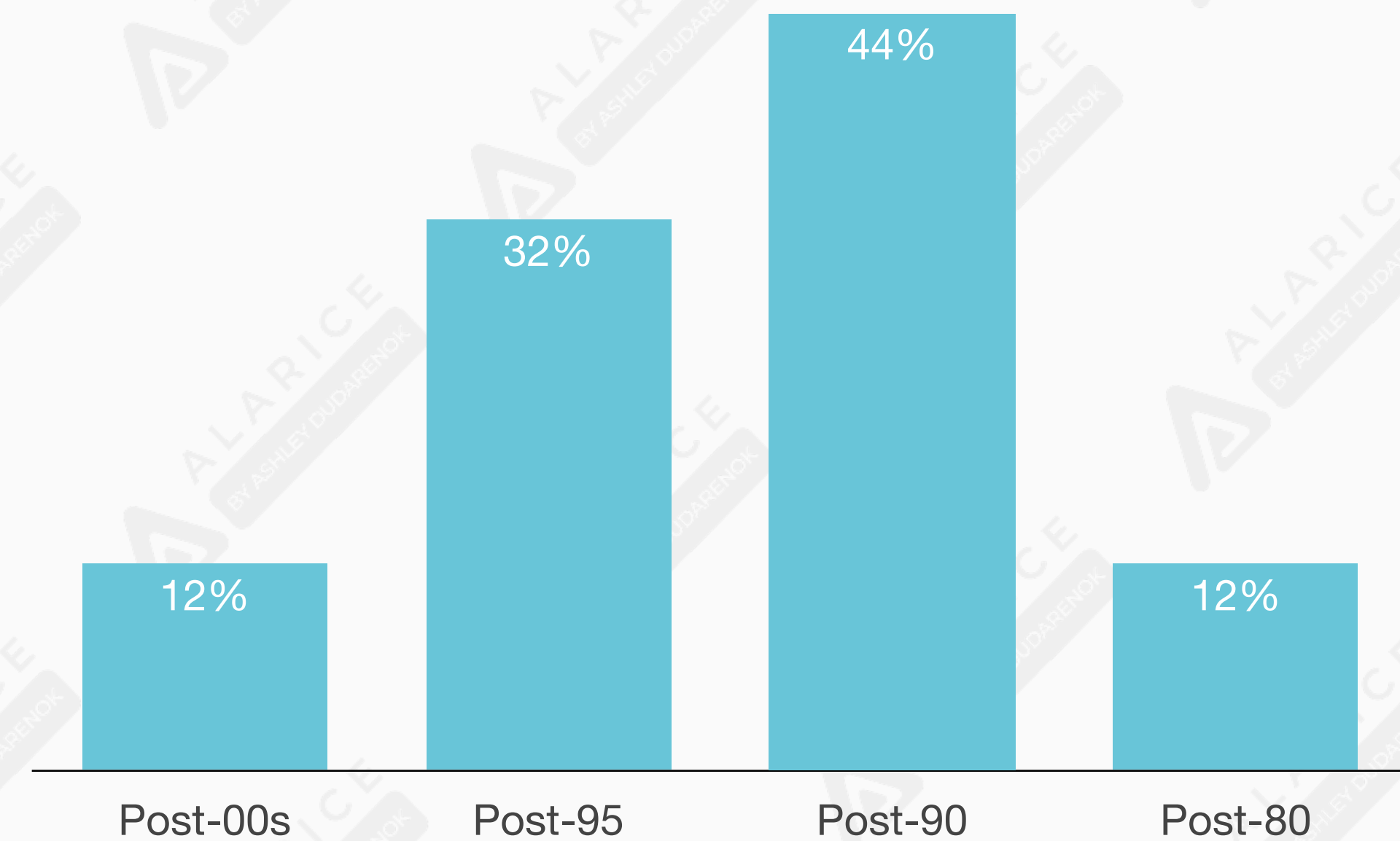


SOCIAL MEDIA

GEN Z USERS ON BILIBILI



BILIBILI UPLOADERS USER PORTRAIT (2021)



Gen Z make up as much as 88% of **content Uploaders** on the platform. Among them, a proportion of people born before 1995 have experience in the industry, and have been engaged in media, new media and other related experiences. Half of the uploaders are students or freelancers who have relatively free time.

SOCIAL MEDIA

BILIBILI PLATFORM CONTENT



Bilibili is one of China's major streaming platforms. It first started with a focus on ACG (anime, comics and games), but it gradually began to include more diversified content such as e-sports, tech, music, dance, movies, TV dramas, educational shows, personal vlogs, etc. It also provides live streaming services.

64%

LIFESTYLE, GAMING AND EDUCATIONAL CONTENT

91%

PROFESSIONAL USER GENERATED VIDEOS (PUGV)

BILIBILI USERS CONTENT PREFERENCES (MAY 2021)

CATEGORY	SUBCATEGORIES
Gaming	Console, e-sports, mobile games
Entertainment	Pop culture, film and TV, celebrities
Animation	Designed in China, anime, cosplay
Tech Knowledge	Digital, Science
Lifestyle	Food, fashion, vlog, cute pets

Sources:

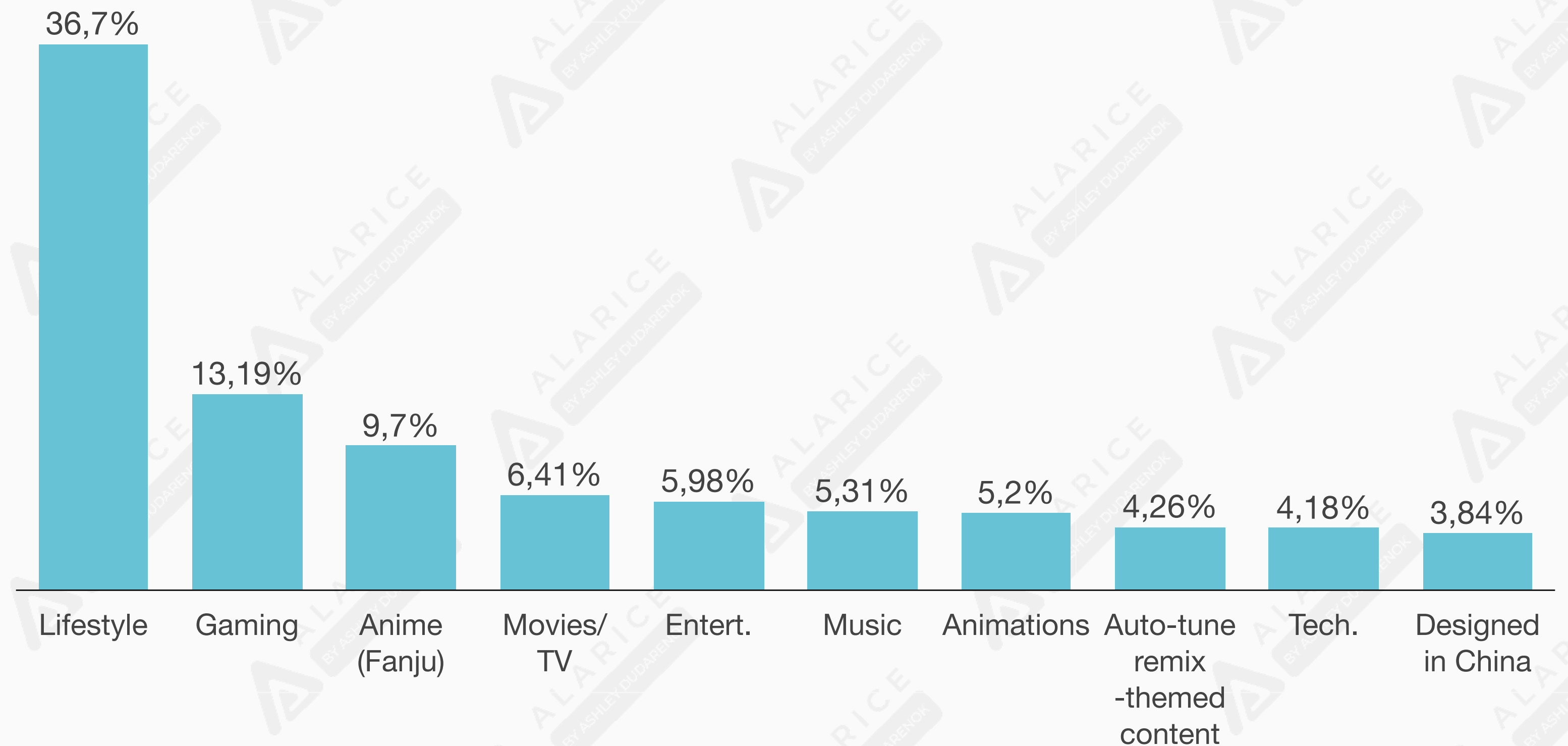
- 1) Source: [Bilibili 2021 Gen Z F&B Industry Consumption Insights Report](#)
- 2) Forbes "5 China Marketing Trends You Must Know in 2021", Feb. 8, 2021

SOCIAL MEDIA

BILIBILI PLATFORM CONTENT

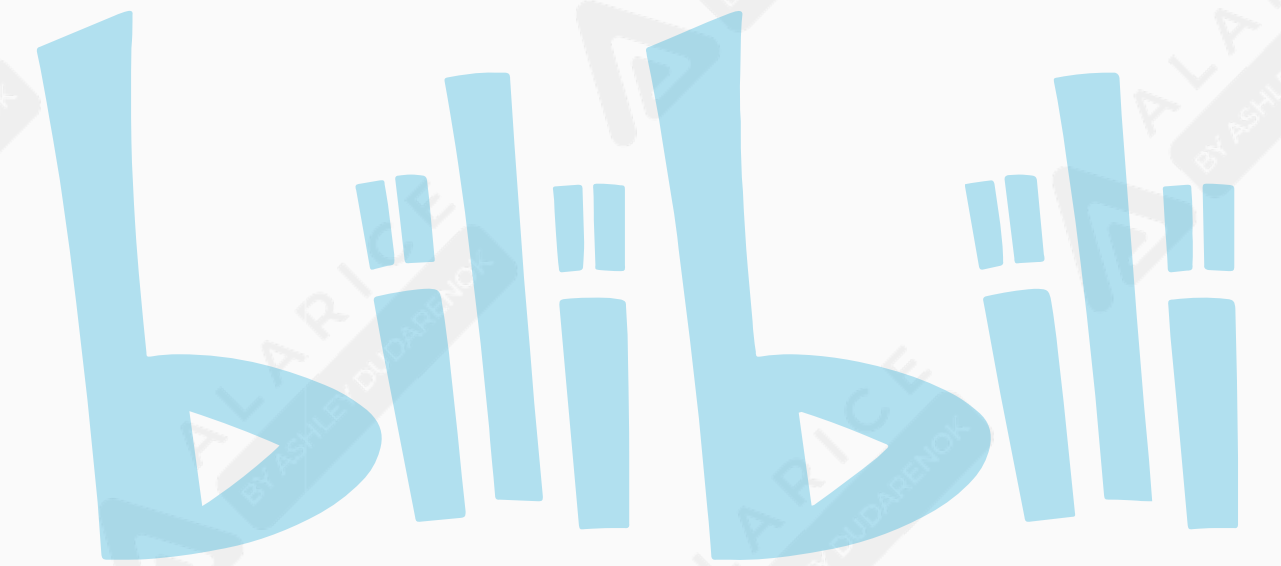
With its more creative and interesting interactive methods, Bilibili Livestreaming services fosters a unique cultural atmosphere that is able to attract more young people to participate.

BILIBILI TOP LIVESTREAM CONTENT AREAS (2021)



SOCIAL MEDIA

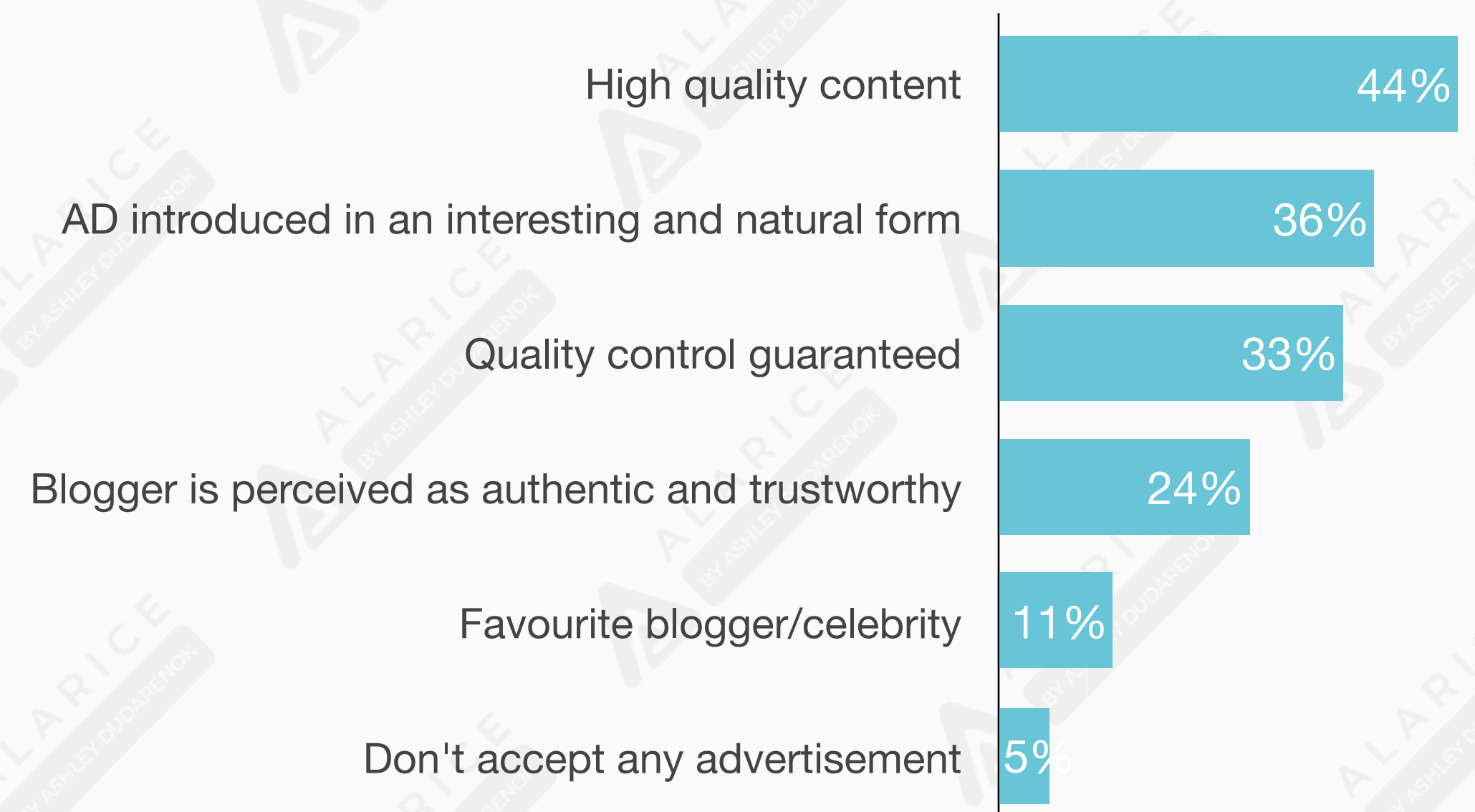
BILIBILI PLATFORM KOLS



Working with influencers/KOLs is a popular choice for marketing on the platform.

If brands decide to set up collaborations with KOLs on Bilibili, the content produced should be real and valuable to be accepted by young audiences: 44% of them said they are willing to accept KOL product promotion with high quality content production.

TYPES OF KOL PRODUCT ADVERTISING ACCEPTED BY YOUNG PEOPLE



SOCIAL MEDIA

DOUYIN PLATFORM



Douyin is the ByteDance-owned short video platform, known as TikTok in the West, the Chinese counterpart runs on a completely different server.

When it comes to content types, Douyin algorithm facilitates slow-burn dynamic videos, meaning that even content published a long time ago still has the chance to be noticed and gain popularity, as long as users continue engaging with it.



600 MILLION
DAILY ACTIVE USERS (2020)



400 MILLION
DAILY SEARCHES



SUNDAY 8-9 PM
IS USERS FAVOURITE TIME TO USE DOUYIN

Sources:

1) Forbes "5 China Marketing Trends You Must Know in 2021", Feb. 8, 2021

2) Launch Metrics "Most Popular Video Apps in Chinese Social Media 2021", May 5, 2021

SOCIAL MEDIA

GEN Z USERS ON DOUYIN



Douyin is very popular among young Chinese people, **Millennials and Gen Z are the main target of the platform.**

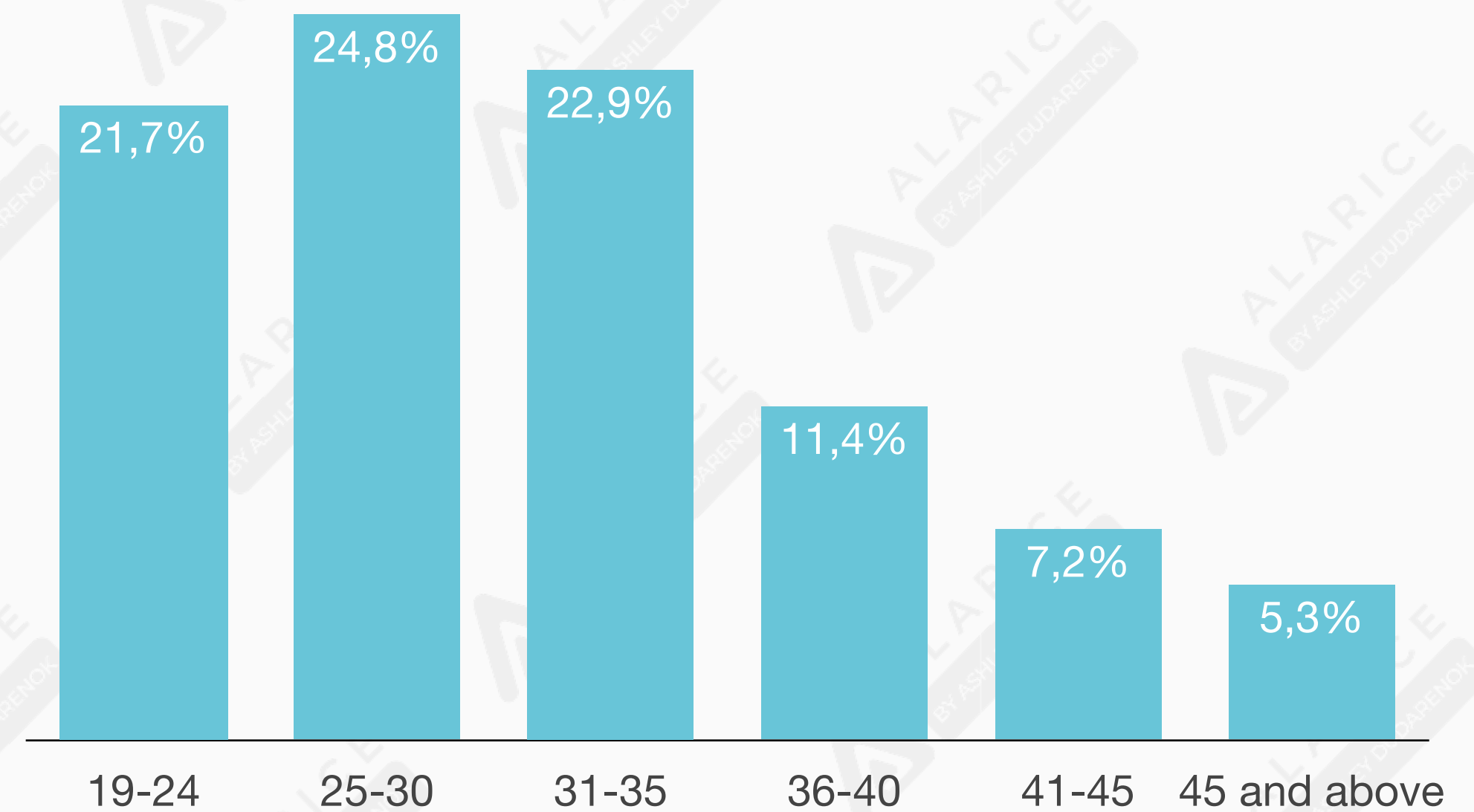
59.1% of users are between 24 and 40, while 25% are under 24.

At first its content was mainly female-based, but nowadays Douyin is very popular among young Chinese people, Millennials and Gen Z are the main target of the platform.

59.1% of users are between 24 and 40, while 25% are under 24.

46.8% USERS ARE UNDER 30

DOUYIN USER DISTRIBUTION BY AGE (2019)



Sources:

1) Daxueconsulting "Douyin Marketing in China", Dec. 12, 2020

2) Launch Metrics "Most Popular Video Apps in Chinese Social Media 2021", May 5, 2021

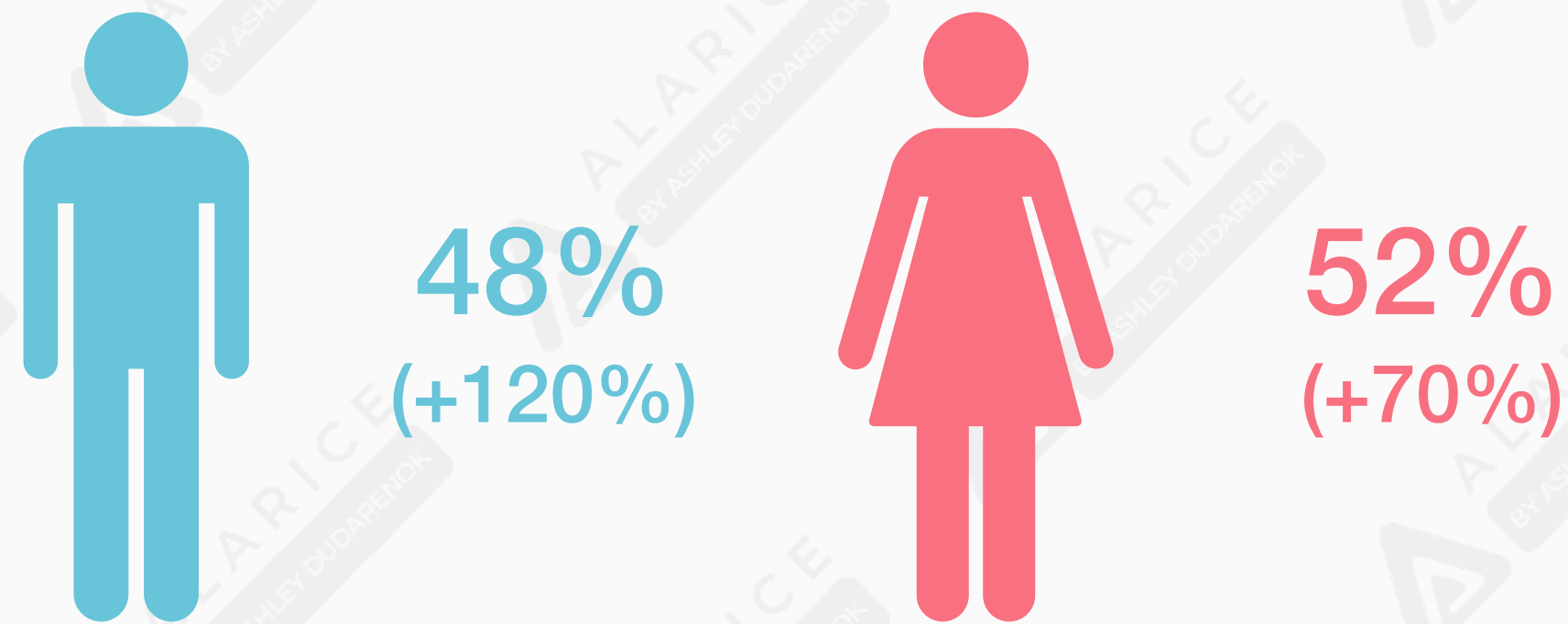
SOCIAL MEDIA

GEN Z USERS ON DOUYIN

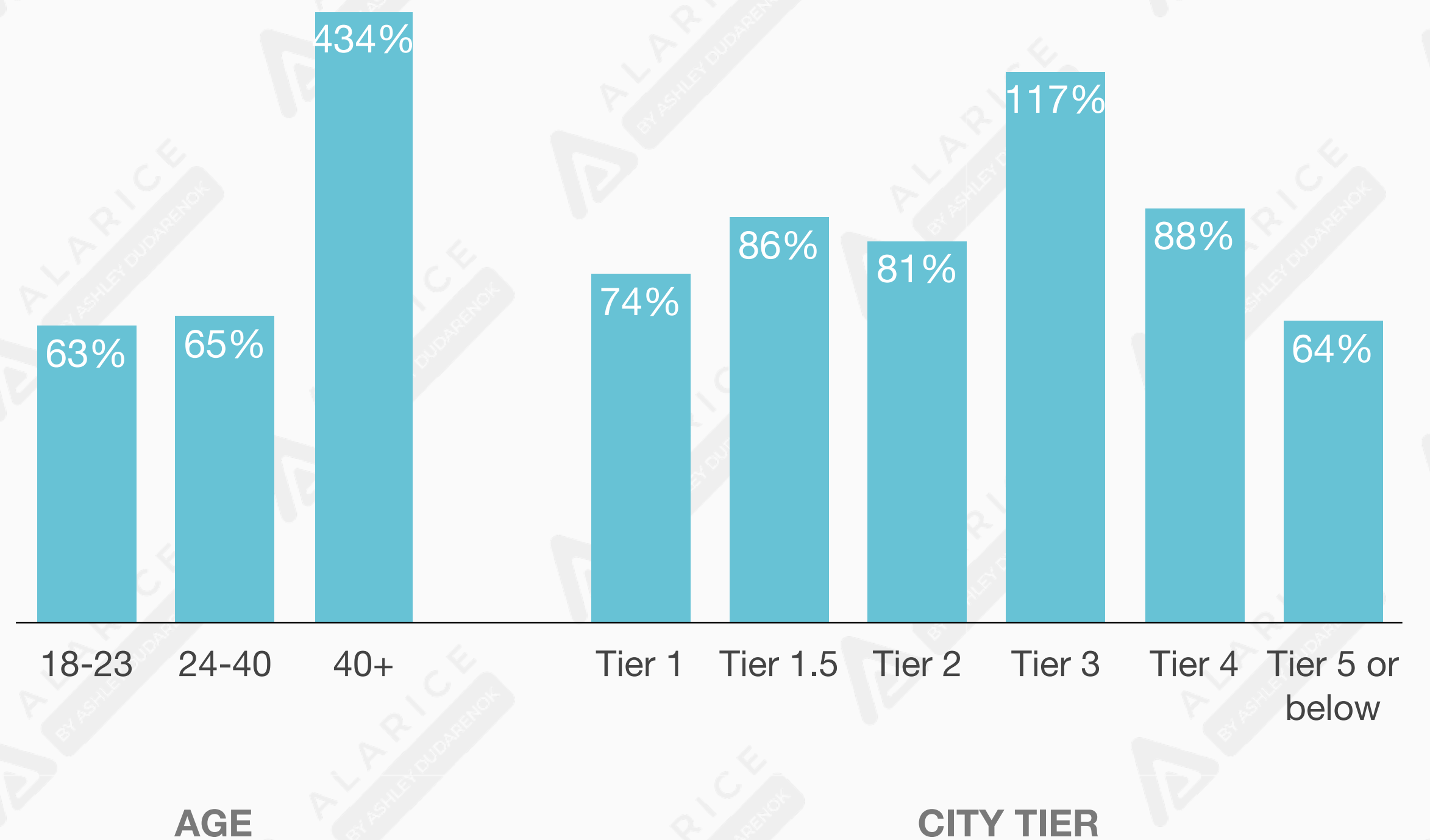


The majority of **Douyin content creators** are Gen Z (60%) are from lower-tiered cities (tier 4 or below - 44%)

DOUYIN CONTENT CREATORS GENDER RATIO AND INCREASED PERCENTAGE, 2018-2020



INCREASED PERCENTAGE OF DOUYIN CONTENT CREATORS (2018-2020)



SOCIAL MEDIA

DOUYIN PLATFORM CONTENT



DOUYIN USERS CONTENT PREFERENCES

Although **music-related video formats** remain the most popular form of content, it is becoming more common to find videos with strong and structured narratives.

Post-00s enjoy watching anime, **post-90s** keeping up with news, while post-80s enjoy watching fashion related content.

	LIKES TO POST CONTENT ABOUT	LIKES TO WATCH CONTENT ABOUT
POST 00S	Anime	Anime
POST 90S	Cute babies	News
POST 80S	Landscape	Fashion
POST 70S	Food	Wedding
POST 60S	Dance	Cute babies

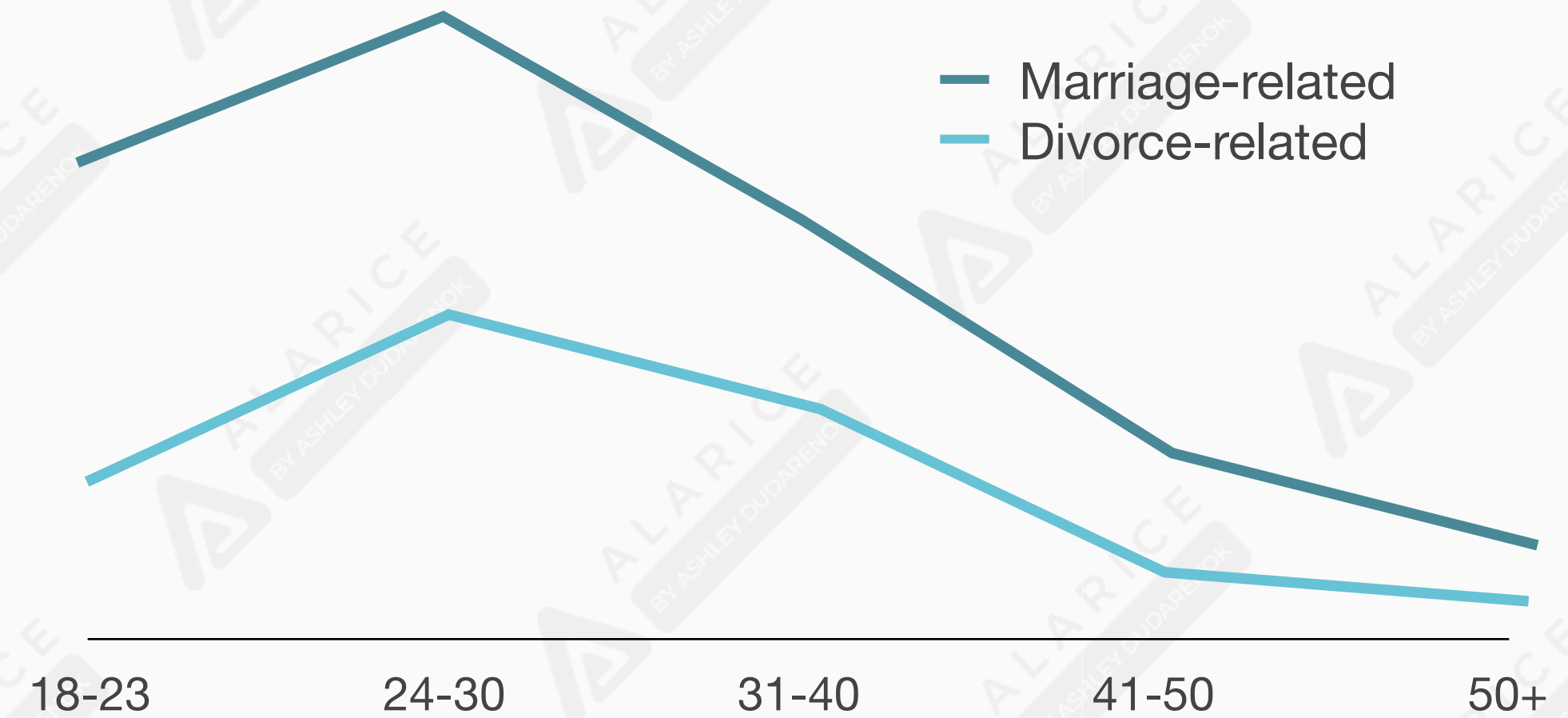
SOCIAL MEDIA

DOUYIN PLATFORM CONTENT



DOUYIN FEMALE USERS SEARCHED CONTENT BY AGE GROUP (2020-2021)

Women between the age of 24-30 search for more marriage and divorce related content.



SOCIAL MEDIA

KUAISHOU PLATFORM

Kuaishou is another short video platform, especially popular among second and third tier cities consumers.

While users on Douyin have higher consumption ability, users on Kuaishou are more **loyal towards KOLs**. They are also **more willing to purchase a product recommended by their favourite influencer**.

Integrated e-commerce is very strong on the platform: according to Kuaishou Financial Report of February 2021, the average purchase rate of its e-commerce system reached 65% in 2020.

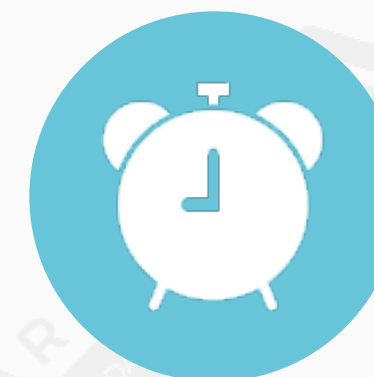
In particular, **livestreaming e-commerce** is very popular: according to CBNData 2020 E-commerce Report, there is an e-commerce livestream every 2 seconds on Kuaishou.



776 MILLION
MONTHLY ACTIVE USERS



295 MILLION
DAILY ACTIVE USERS



99+ MINUTES
USAGE PER DAY

Sources:

1) Forbes "5 China Marketing Trends You Must Know in 2021", Feb. 8, 2021

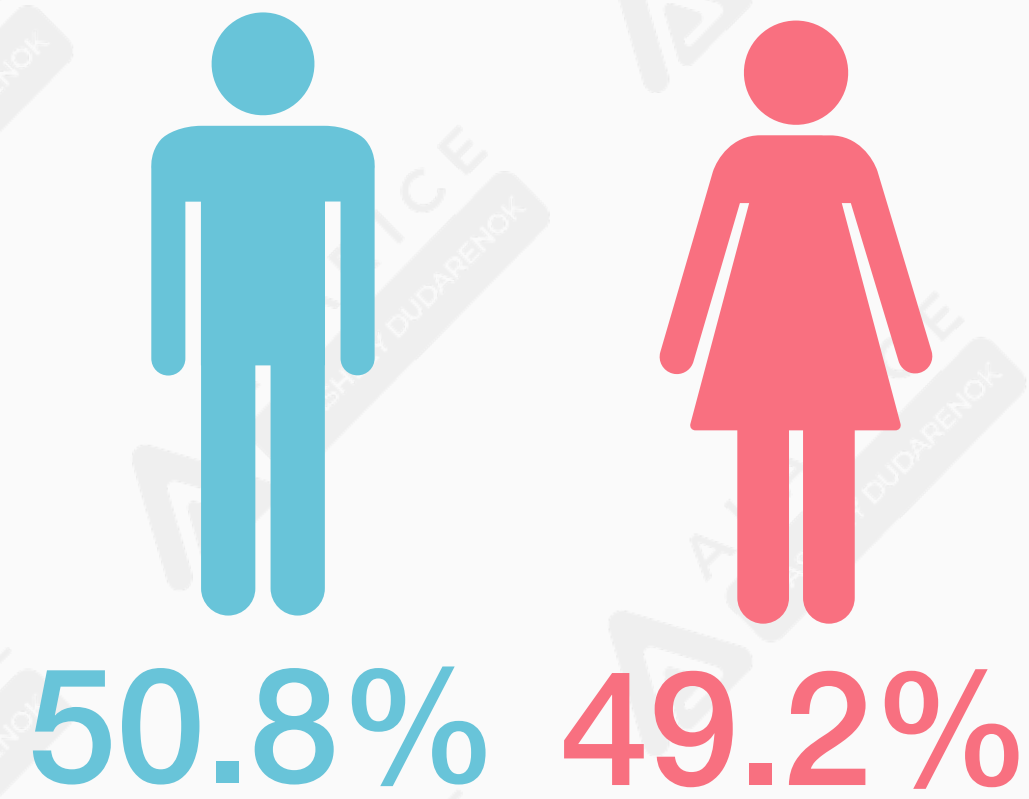
2) Launch Metrics "Most Popular Video Apps in Chinese Social Media 2021", May 5, 2021

SOCIAL MEDIA

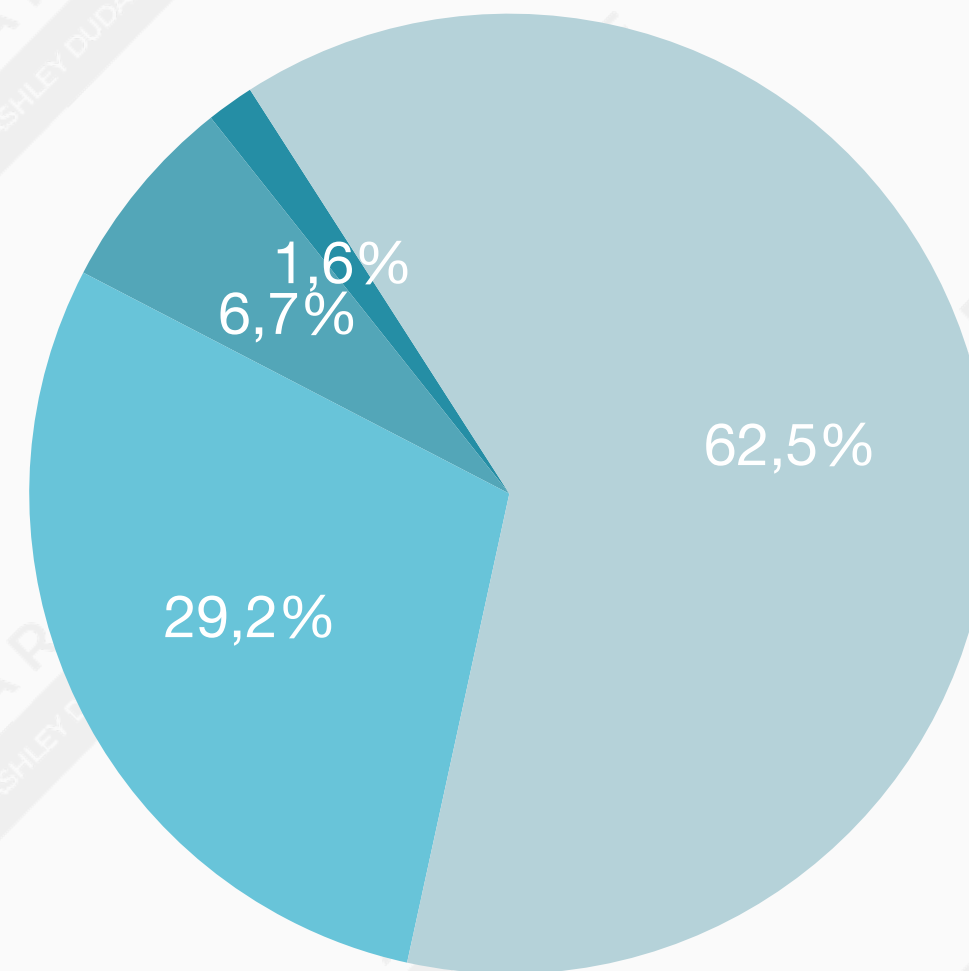
GEN Z USERS ON KUAISHOU



Gender ratio of Kuaishou users:

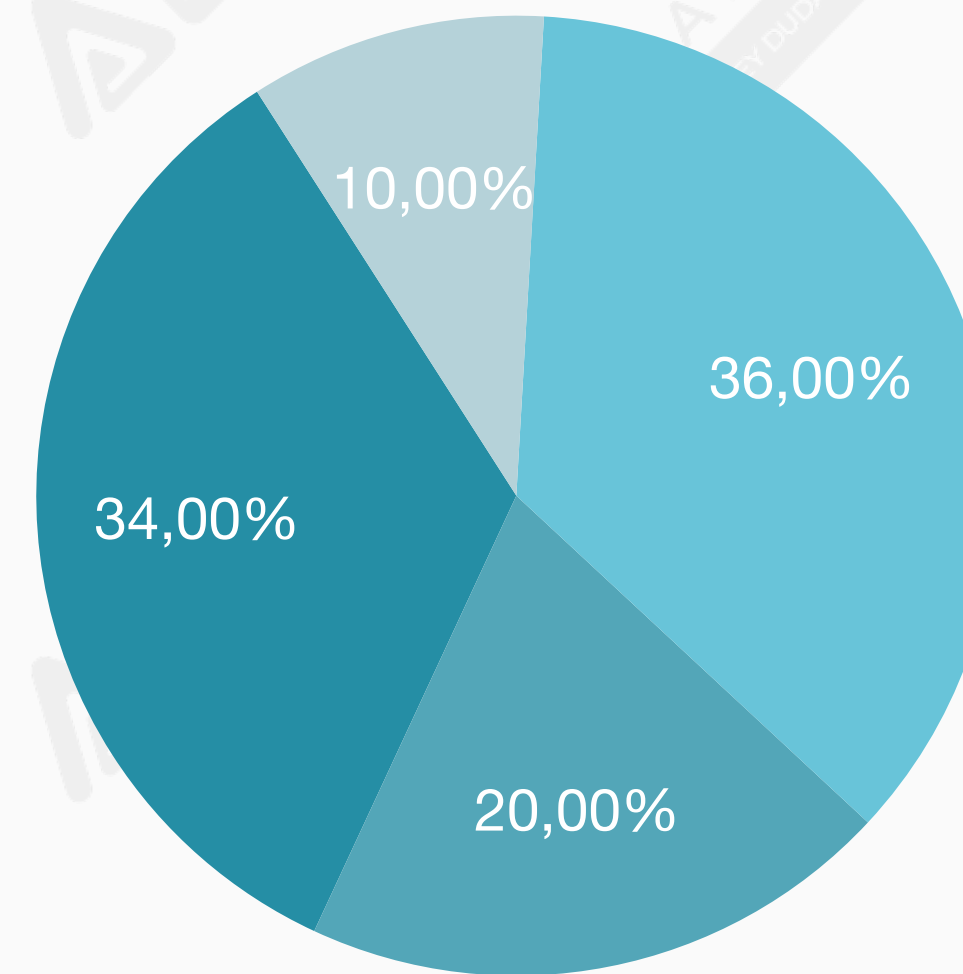


KUAISHOU FOLLOWERS AGE DISTRIBUTION



- Below 25
- 26-35
- 36-45
- Above 46

KUAISHOU FOLLOWERS BY CITY TIER



- Tier 1 cities
- Tier 2 cities
- Tier 3 cities
- Tier 4 or below cities

80%+
of the users are Post-90s

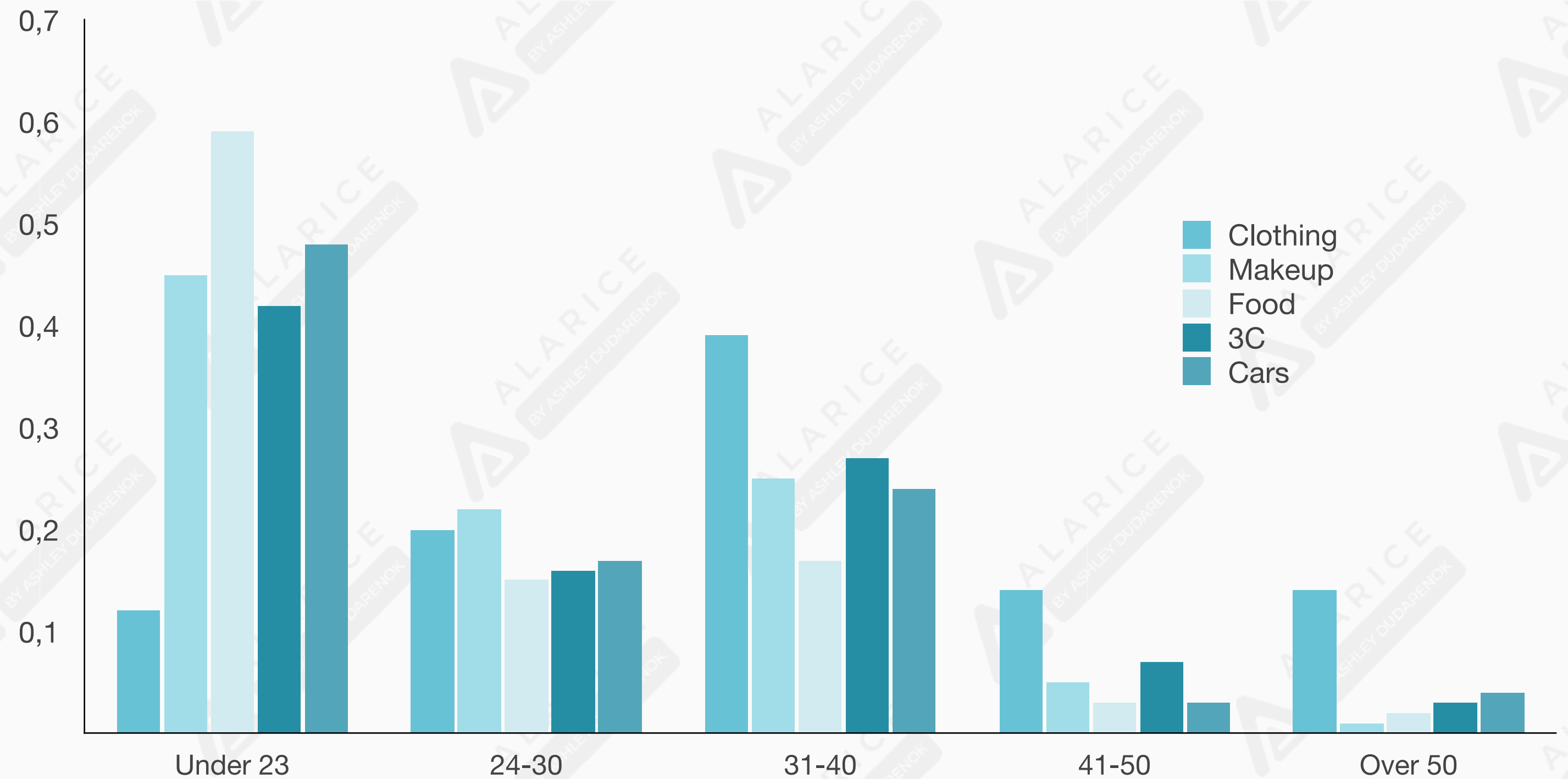
SOCIAL MEDIA

KUAISHOU PLATFORM CONTENT



**KUAISHOU USER CONTENT PREFERENCES
ACCORDING TO DIFFERENT AGE GROUPS
(2020)**

The content has a more raw feel to it: a big part of the content involves home cooking or playing pranks on friends. But the platform also has a strong presence of beauty, skincare, games and education content.



SOCIAL MEDIA

RED PLATFORM



RED (Xiaohongshu) is a relatively new social platform, initially populated mainly by young women. It is characterised by high loyalty and engagement.

The platform is dominated by women, with women accounting for 88.37% and men accounting for 11.61%. More than 56% of users come from the four first-tier cities of Beijing, Shanghai, Guangzhou and Shenzhen. Urban white-collar workers and elite women in the workplace are their main user groups, with strong consumer power and strong consumer demand.



300 MILLION+
REGISTERED USERS (2020)



100 MILLION
MONTHLY ACTIVE USERS

SOCIAL MEDIA

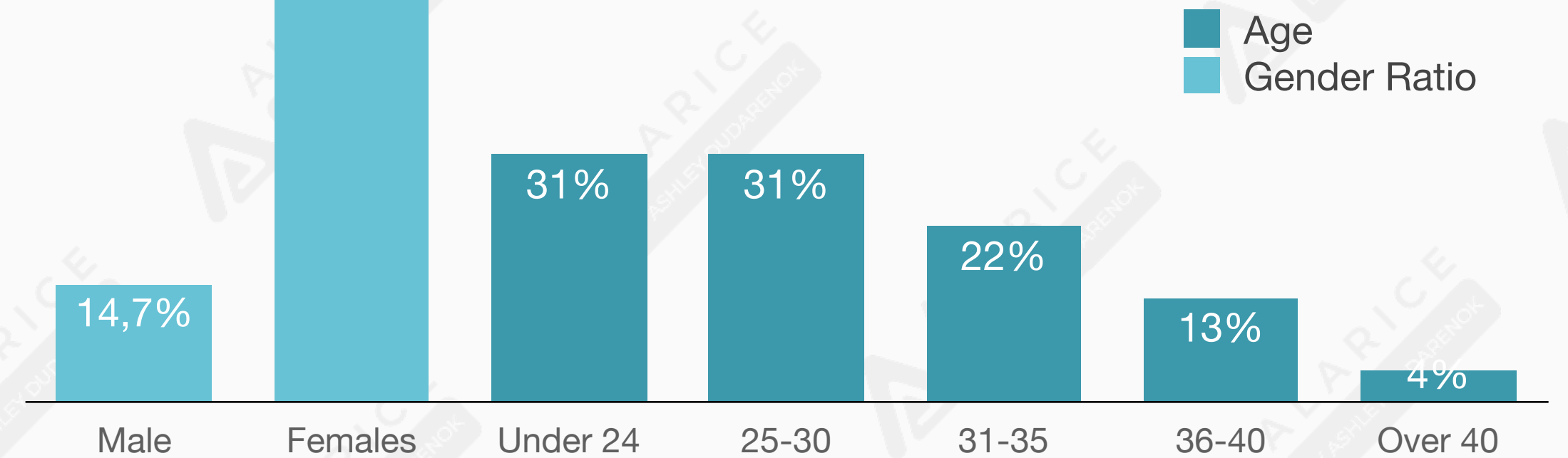
GEN Z USERS ON RED



XIAOHONGSHU USERS GENDER AND AGE DISTRIBUTION (2020)

Xiaohongshu users are getting younger, and the age group is mainly 18-34 years old.

70% USERS
ARE POST-90S



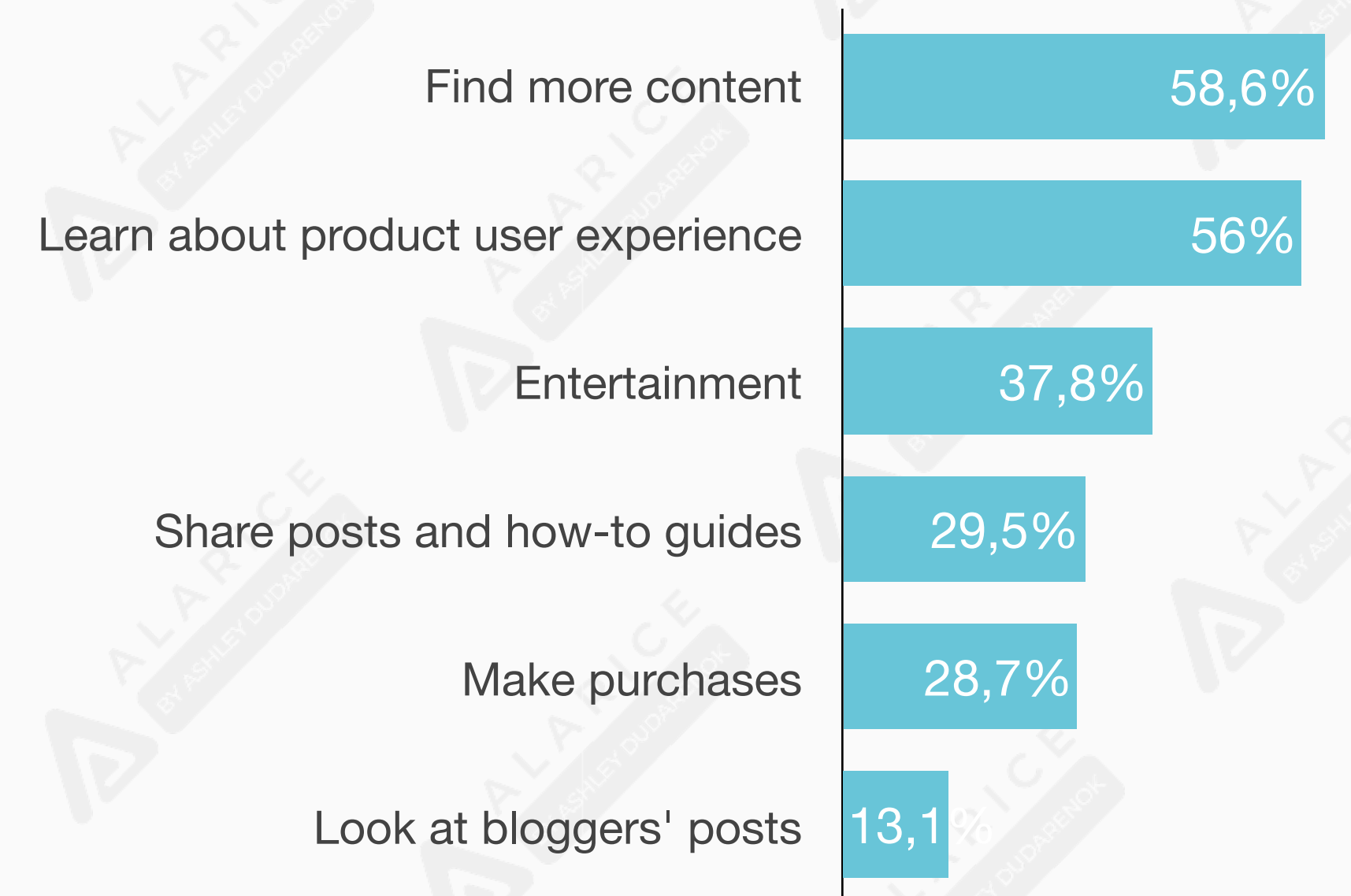
SOCIAL MEDIA

RED PLATFORM CONTENT

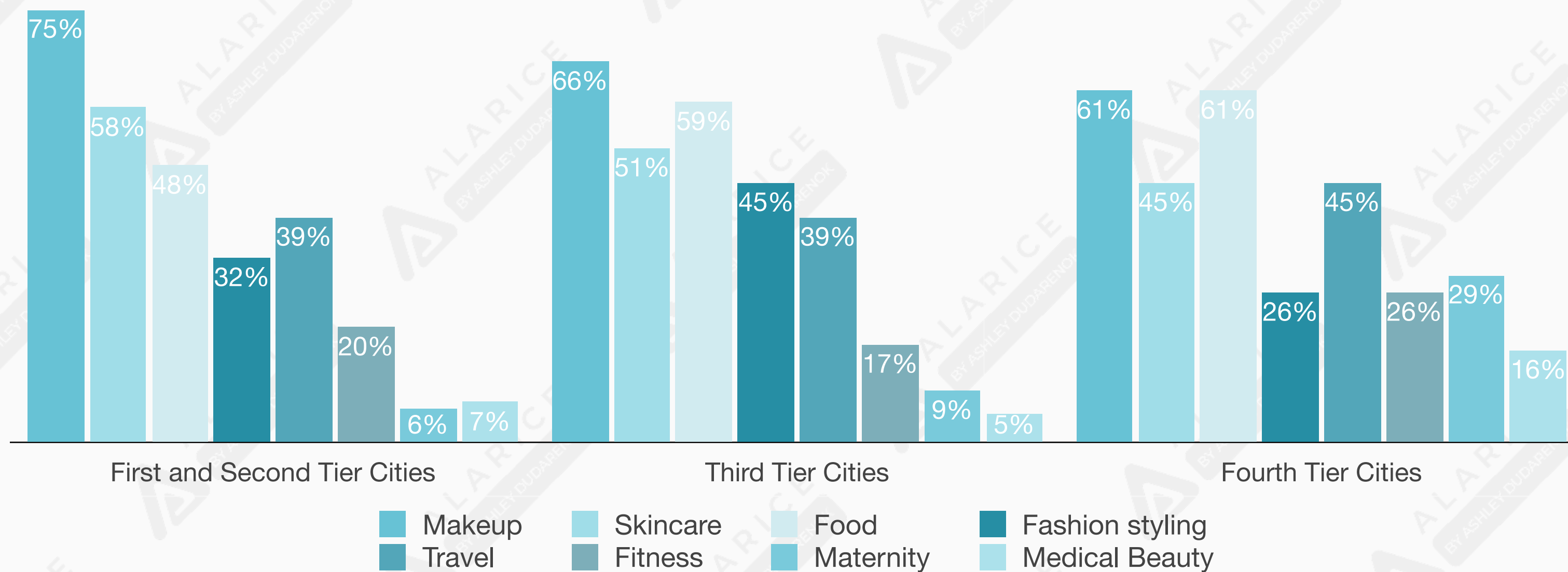
The top 3 areas of interest for users are still fashion, beauty and food. But due to the development of a diversification trend on the platform, there is a growing interest for other fields such as film and television, digital and technology and education.



REASONS FOR USING XIAOHONGSHU (2020)



XIAOHONGSHU USERS CONTENT PREFERENCES ACCORDING TO GEOGRAPHIC DISTRIBUTION (2020)



SOCIAL MEDIA

WEIBO PLATFORM



Weibo is the hot spot for the younger generation and consumers to understand **current affairs** and follow **celebrity dynamics**.

As a diversified social platform with more than **70 core areas of interest**, Weibo covers a wide range of diversified circles, which could be an advantage when targeting Gen Z, whose sense of identity and niche culture has become stronger and stronger. A generation that is also more and more subject to the influence of the group.



566 MILLION

MONTHLY ACTIVE USERS (2021 Q2)



246 MILLION

DAILY ACTIVE USERS (2021 Q2)

Source:

1) China Internet Watch, Weibo Q2 Highlights

2) Tencent "Eight Major Trends, Insiders into New Consumer Brands' Strategy", April 26, 2021

SOCIAL MEDIA

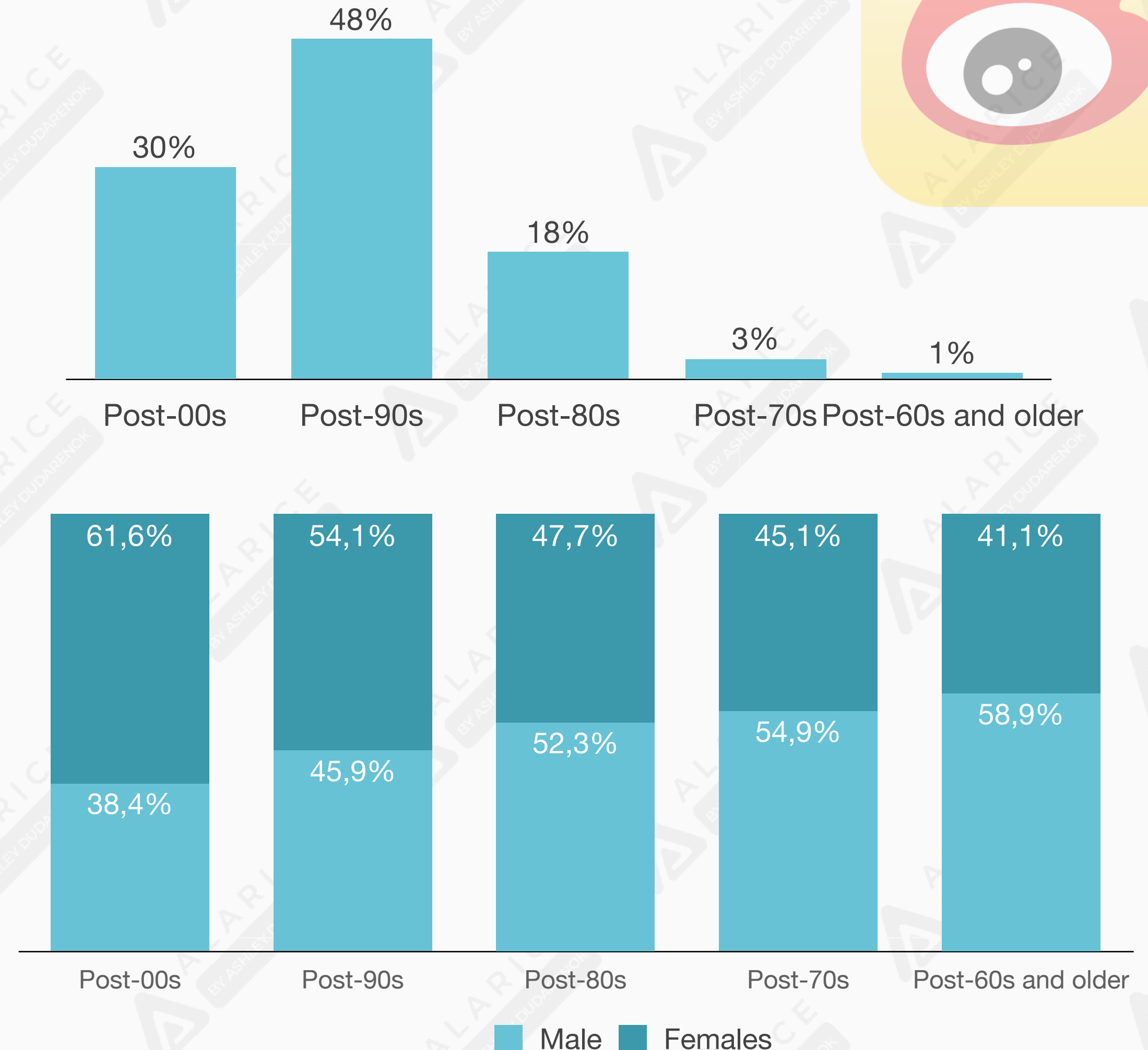
GEN Z USERS ON WEIBO

Weibo user groups are mainly born in the 90s and 00s, accounting for almost 80%. From the perspective of gender, the proportion of young female users is relatively high, especially for the Post-00s.

WEIBO USERS GENDER RATIO (SEPT. 2020)

45.4% MALE USERS **54.6%** FEMALE USERS

WEIBO USERS DISTRIBUTION BY AGE AND GENDER (SEPT. 2020)



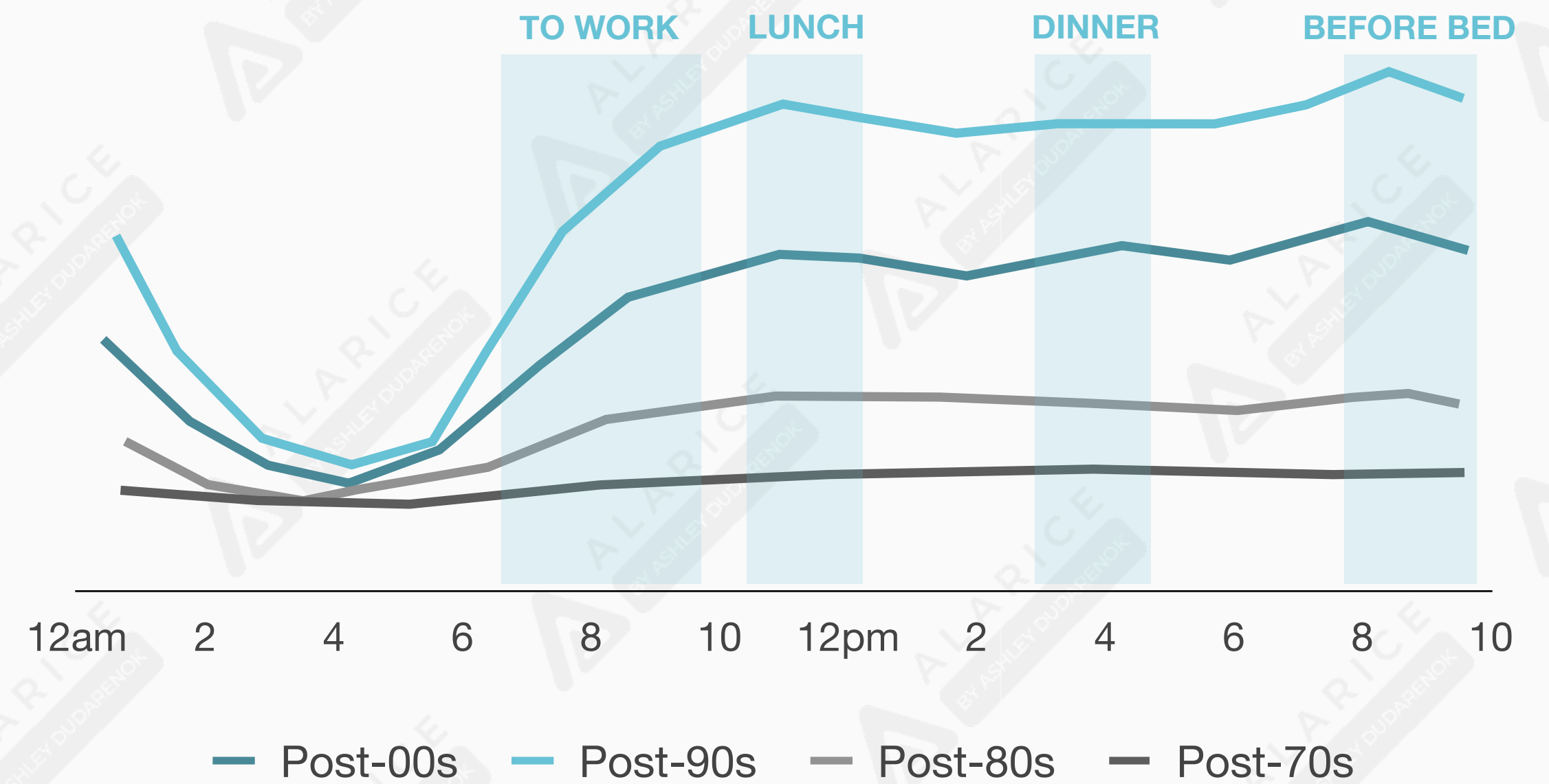
SOCIAL MEDIA

GEN Z USERS ON WEIBO



NUMBER OF INTERACTIONS THROUGHOUT THE DAY

Noon and 10 pm are the golden times for Weibo users. In particular Post-90s and 00s have the highest amount of interactions at these times.



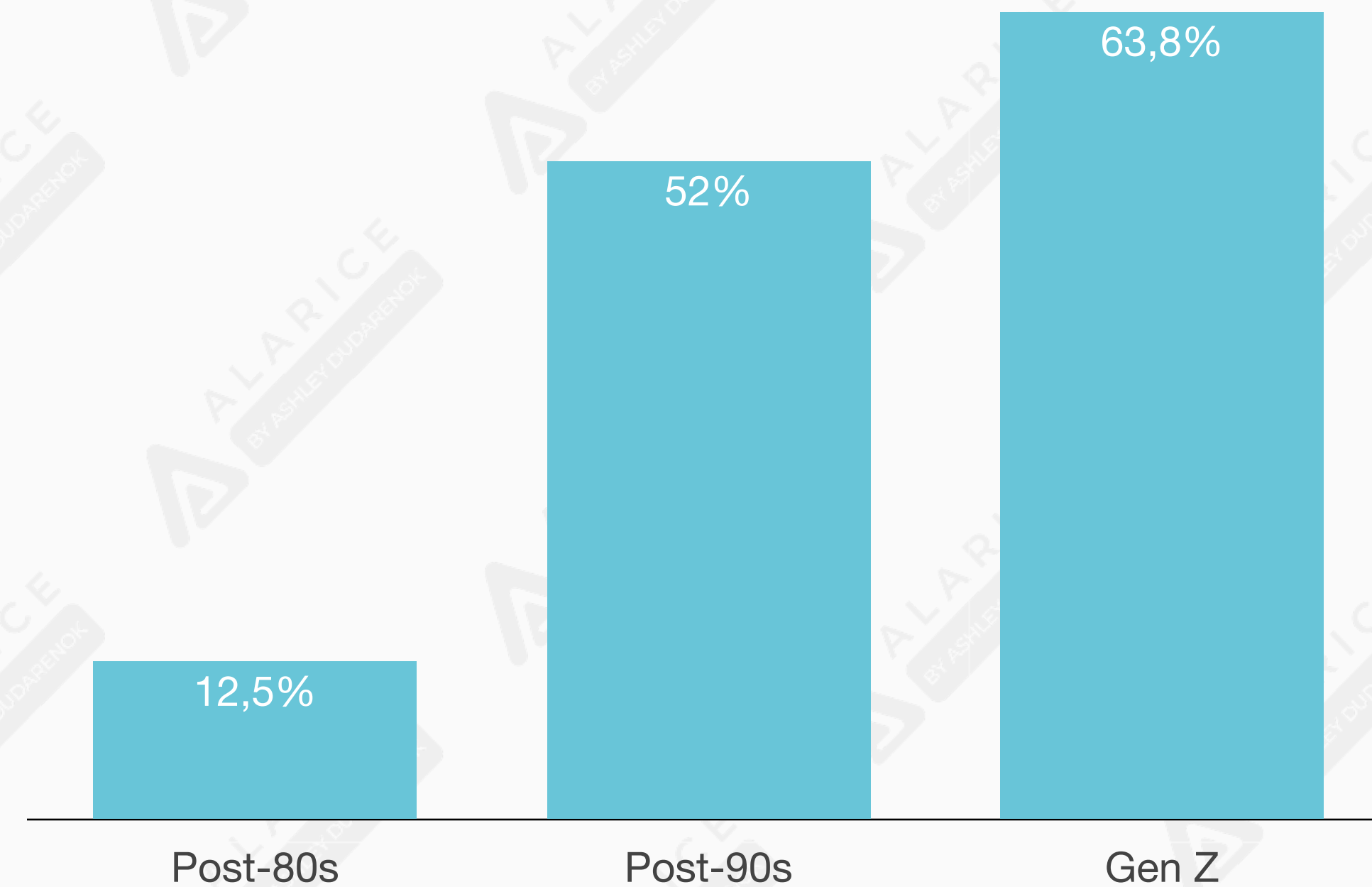
SOCIAL MEDIA

WEIBO PLATFORM CONTENT

When it comes to video, on Weibo the 3 favourites areas of interest for Gen Z users are celebrity entertainment, community news and feelings. In addition to the entertainment field, lifestyle, knowledge and ACG are also popular categories for Gen Zs.



PROPORTION OF PEOPLE THAT FOLLOW AND TALK ABOUT HOT TOPICS (2020)



TOP 5 WEIBO USERS CONTENT PREFERENCES (2020)

	CONTENT CATEGORY
1	Celebrity Entertainment
2	Social News
3	Emotions
4	Variety Show
5	TV Series

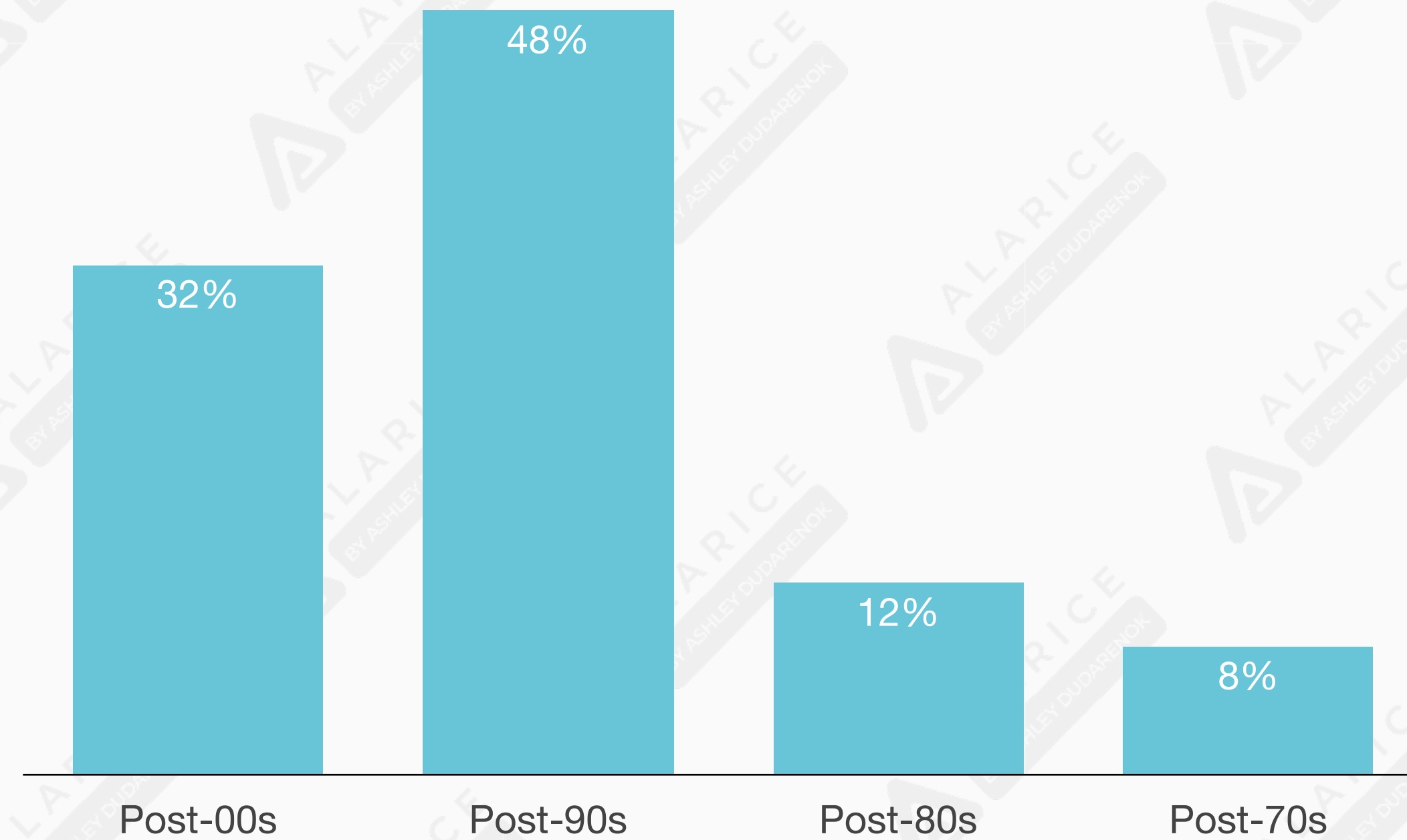
Sources:
1) [Weibo 2020 Users Development Report](#)
2) [Weibo 2020 Video Development Report](#)

SOCIAL MEDIA

WEIBO PLATFORM CONTENT



AGE DISTRIBUTION OF DONORS ON WEIBO CHARITY (2020)



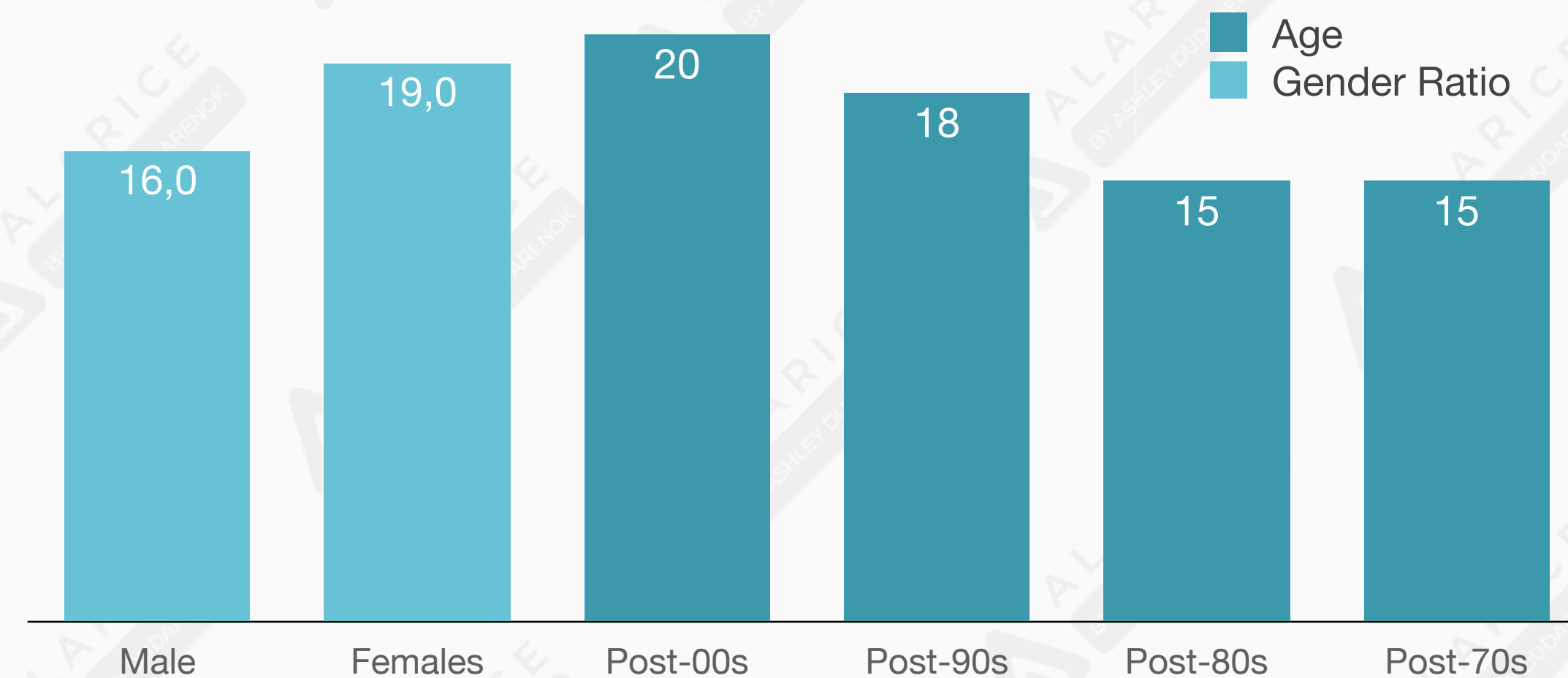
In 2020 17.86 million Weibo netizens raised more than 141 million yuan in donations for 1544 charity projects through the Weibo Charity Platform; 1438 charity topics exceeded 120.7 billion views.

SOCIAL MEDIA

WEIBO PLATFORM CONTENT



AVERAGE NUMBER OF IDOLS FOLLOWED (DEC. 2020)



In terms of gender ratio, female users follow more celebrities, with an average of 19 people followed.

From a generational perspective, Post-90s and Post-00s are the main star chasers, amongst them Post-90s are the one who follow more celebrities, with an average of 20 idols followed.

EXPERT BITES

Q: WHAT ARE YOUR THOUGHTS ABOUT CONSUMER BEHAVIOR AND SOCIAL MEDIA DEVELOPMENTS IN 2021?

More than ever, Chinese consumer behavior in 2021 has shown increased favoritism towards Chinese Brands, Design, and Culture. This trend is best known in China as Guochao. Guochao consumers are fueled by Gen-Z and the trendy attire of the top Chinese celebrities. This trend underlines how Chinese Gen-Z now considers the quality and the appearance of domestic products to be equal or even superior to foreign brands. We should also consider how increasing international tension between China and the rest of the world has caused stronger domestic consumption because of strengthened patriotism.



ALBERTO ANTINUCCI

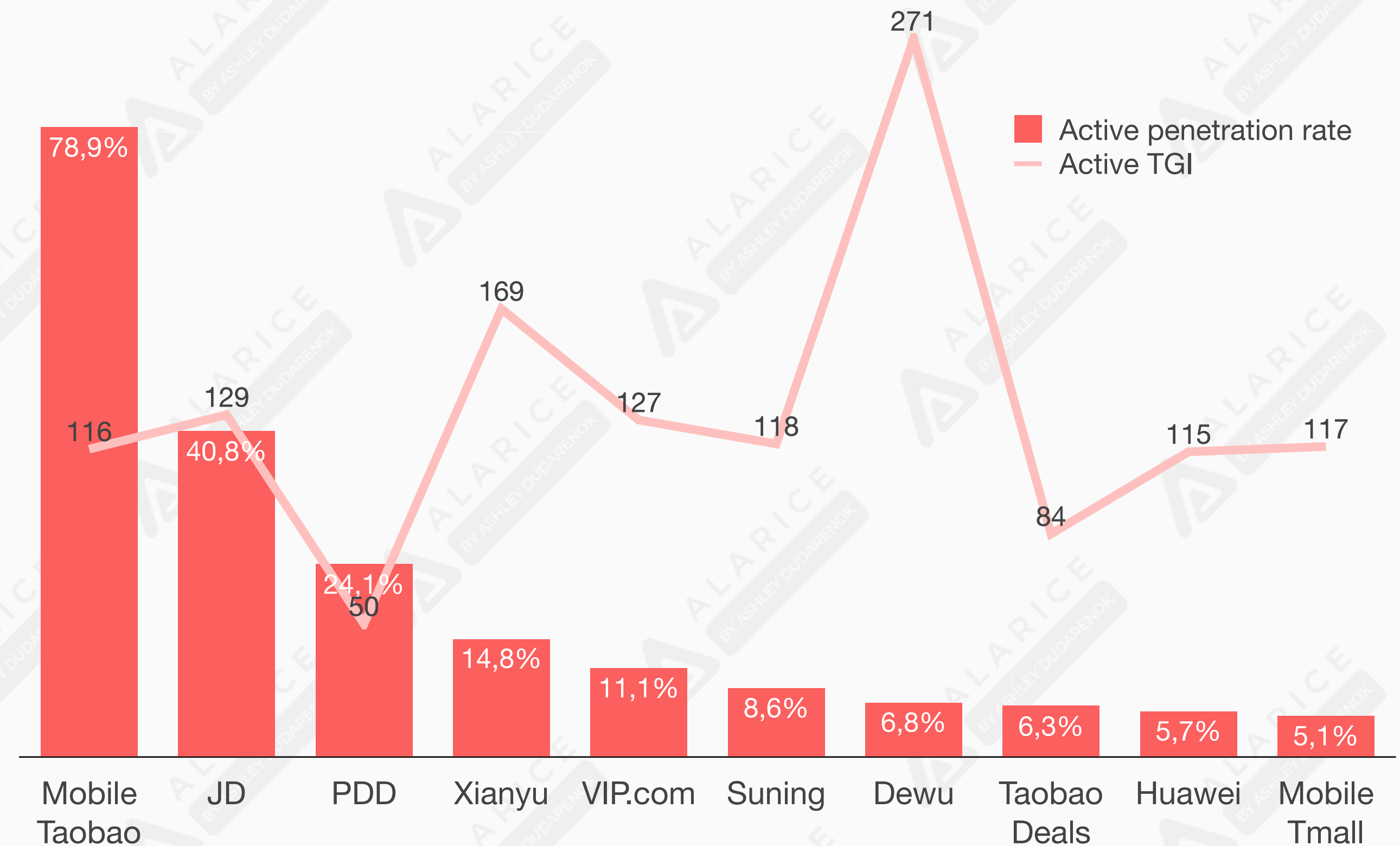
Digital Innovation Strategist
and China Expert

E-COMMERCE

E-COMMERCE

E-COMMERCE PREFERRED PLATFORMS

TOP 10 E-COMMERCE APPS BY GEN Z USER RATIO, 2020



The most used app by Gen Z when it comes to e-commerce is **Mobile Taobao, followed by JD and Pinduoduo.**

Like most other internet users, Gen Z prefers **integrated platforms** to do their online shopping

E-COMMERCE

E-COMMERCE PREFERRED PLATFORM

While there are already many e-commerce platforms available to Chinese consumers, there might still be space for the emergence of new big e-commerce players that specifically cater for Gen Z's shopping preferences.

In fact, many Gen Z don't see their personalities and style reflected in platforms such as Tmall, Taobao, JD and Vip (being the same ones used by their parents and the older generation) or Pinduoduo and Taojiji (seen as "low" and not trendy).

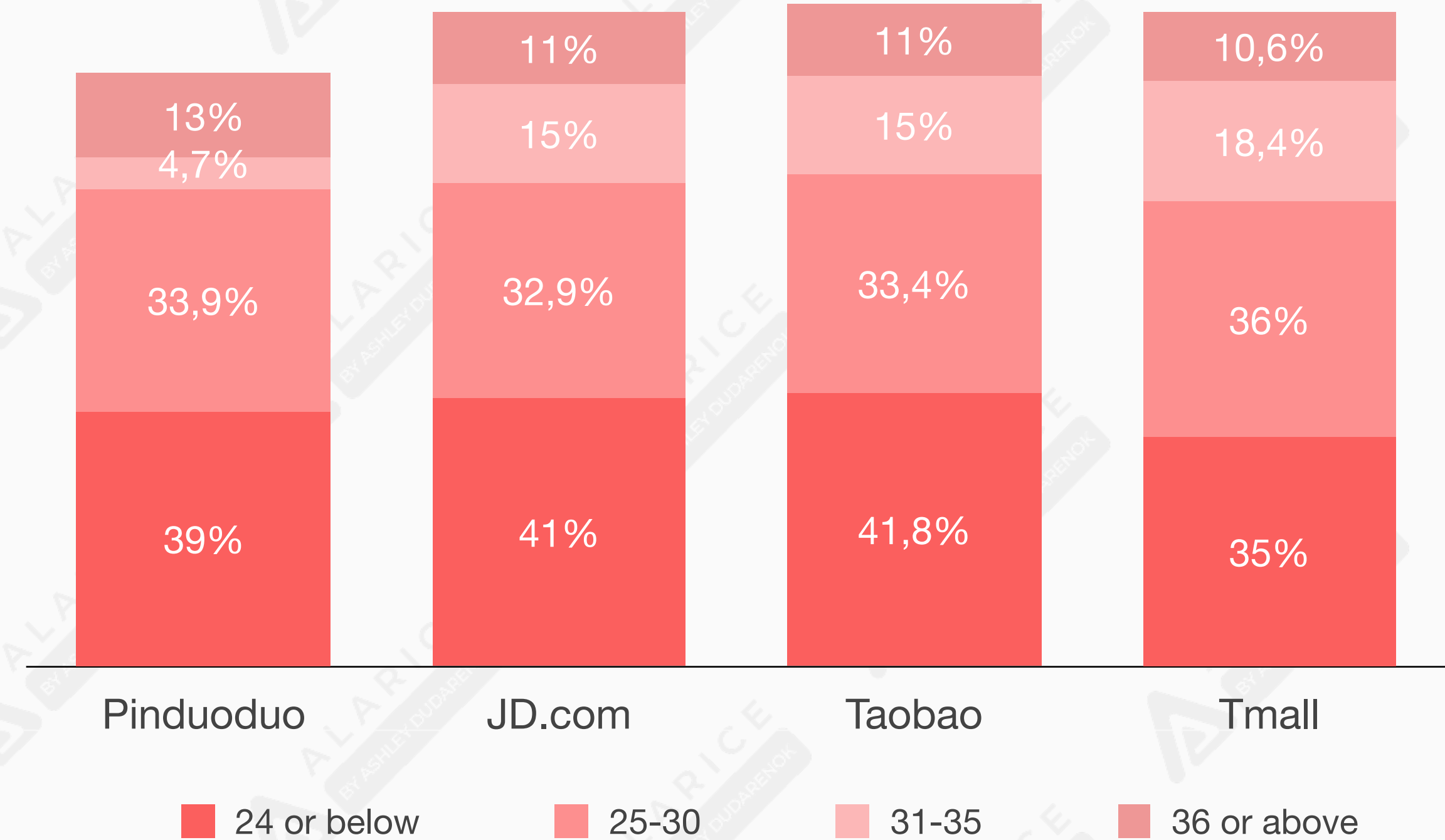


E-COMMERCE

E-COMMERCE USER PORTRAIT

AGE DISTRIBUTION

Gen Z consumers remain to be the major consumption power in China.

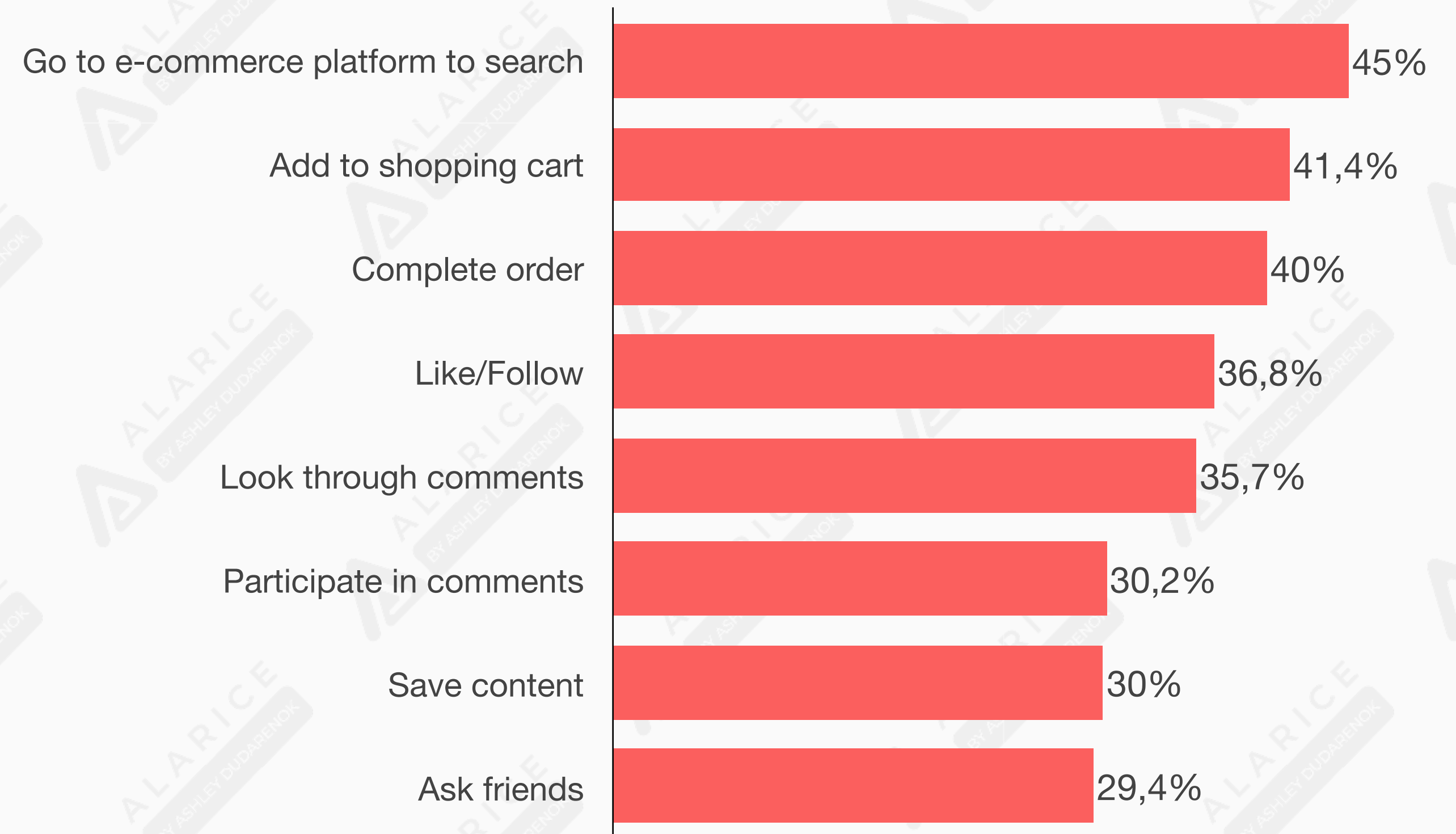


E-COMMERCE

E-COMMERCE PURCHASING BEHAVIOR

GEN Z RESPONSE TO MARKET SEEDING (2020)

After being exposed to market seeding, 45% of Gen Z will go to the ecommerce platform to search for the item they are interested in. While 41% will directly add it to their shopping cart.



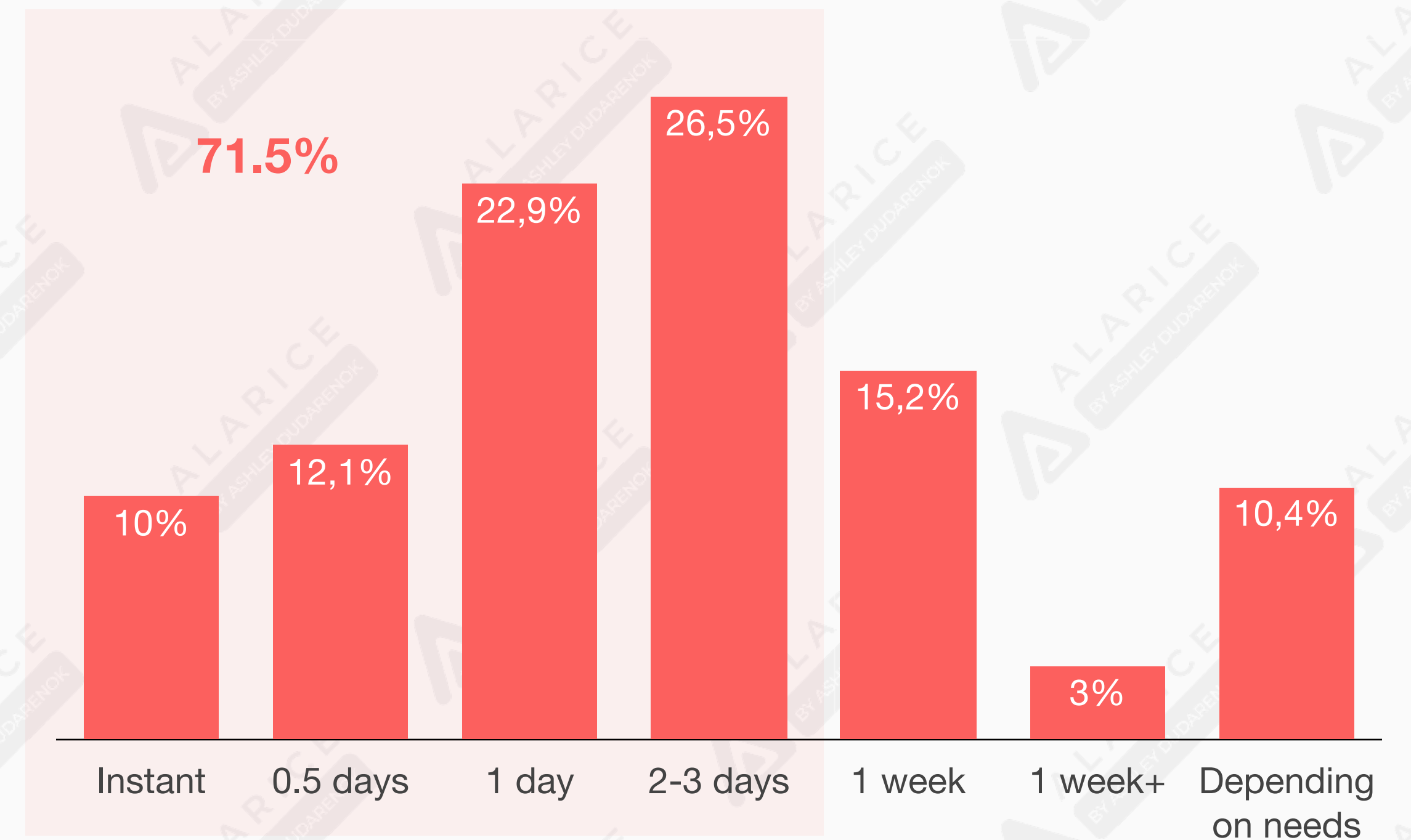
CONSUMER INSIGHTS

E-COMMERCE PURCHASING BEHAVIOR

Over **70% of Gen Z** place an order within **3 days** from being exposed to market seeding.

Only 10% of Gen Z purchases immediately after. In combination with the above, most of Gen Z will search for the brand/product information after market seeding to determine whether to make the final purchase.

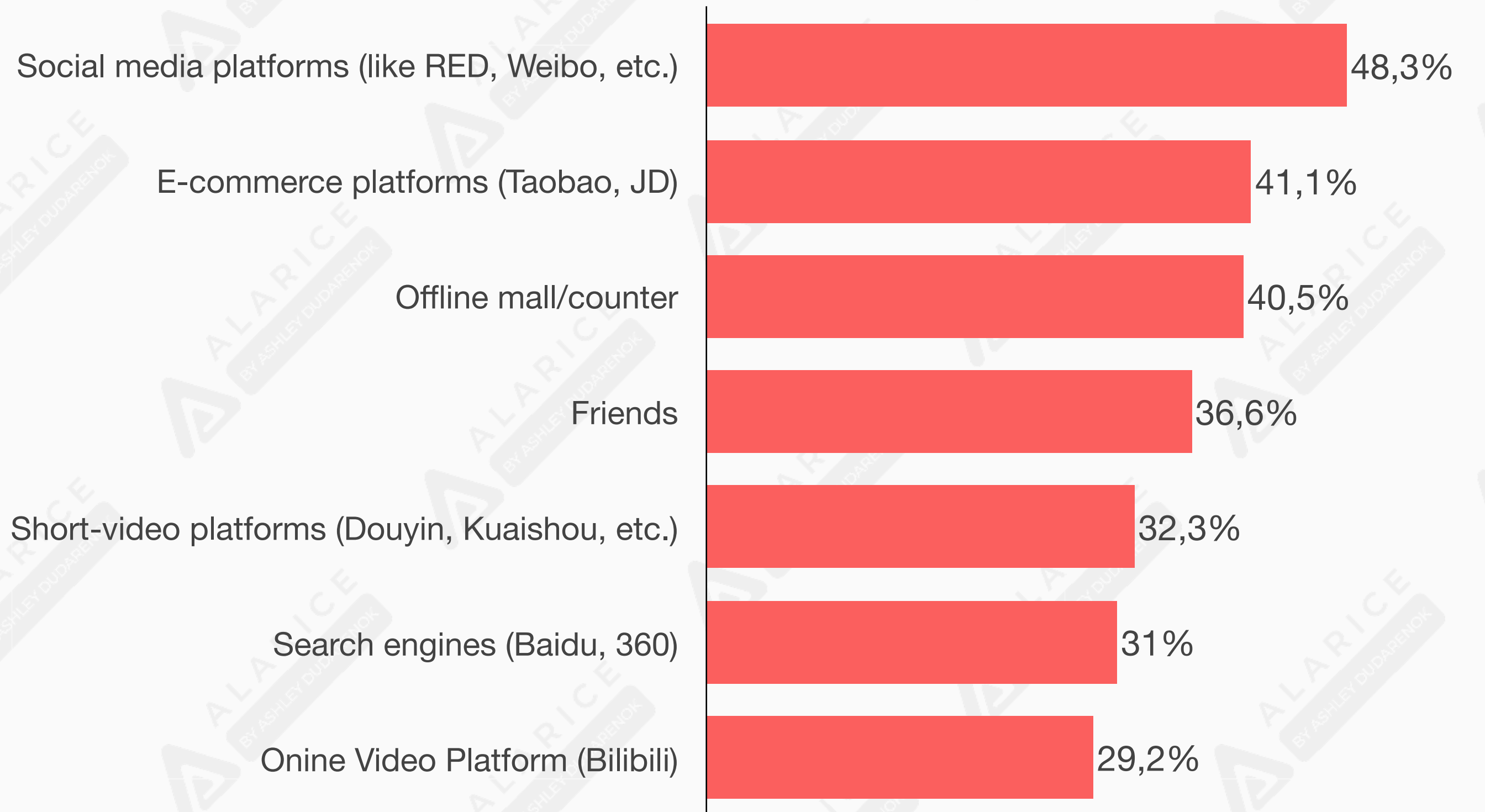
GEN Z SEEDING TO PURCHASE PERIOD, 2020



CONSUMER INSIGHTS

E-COMMERCE PURCHASING BEHAVIOR

GEN ZS PREFERRED CHANNELS TO OBTAIN BEAUTY AND SKINCARE INFORMATION (2020)



Social media has surpassed e-commerce platforms and offline stores, becoming the first channel for Gen Z to obtain information about beauty and skincare.

E-COMMERCE

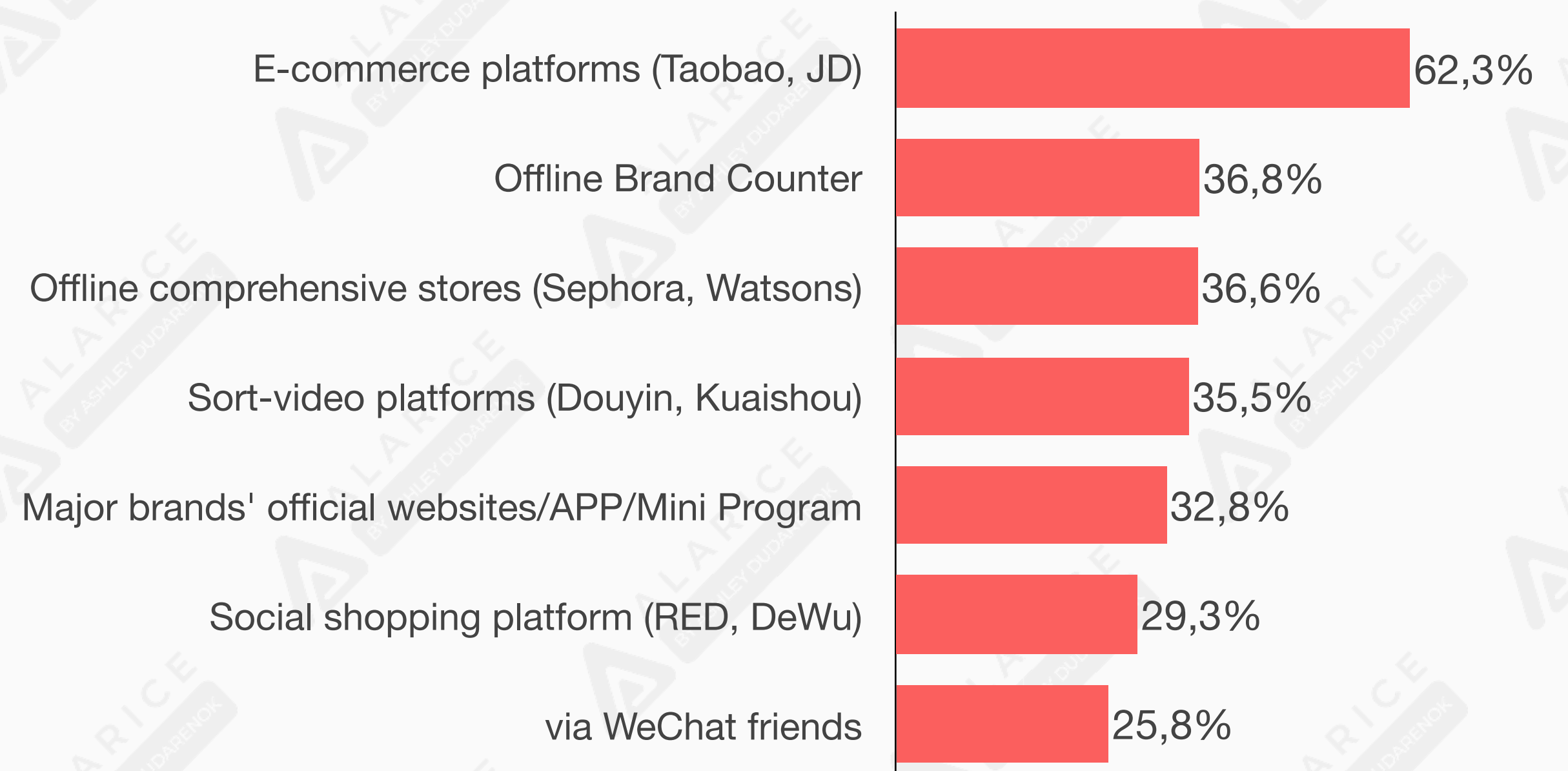
E-COMMERCE PURCHASING BEHAVIOR

But **E-commerce platforms are the mainstream channel for Gen Z to purchase beauty and skincare products**: in the past year, over 60% of Gen Z has purchased beauty and skincare products on e-commerce platforms.

Thanks to their rich content related to beauty and skincare, **short video platforms have become another preferred channel.**

According to the 2020 Kuaishou Beauty Industry Report, the number of Gen Z users interested in beauty have increased by 81.5% within 6 months.

GEN ZS PREFERRED CHANNELS FOR BEAUTY AND SKINCARE PURCHASES (2020)



CONSUMER INSIGHTS

E-COMMERCE CONSUMPTION TRENDS

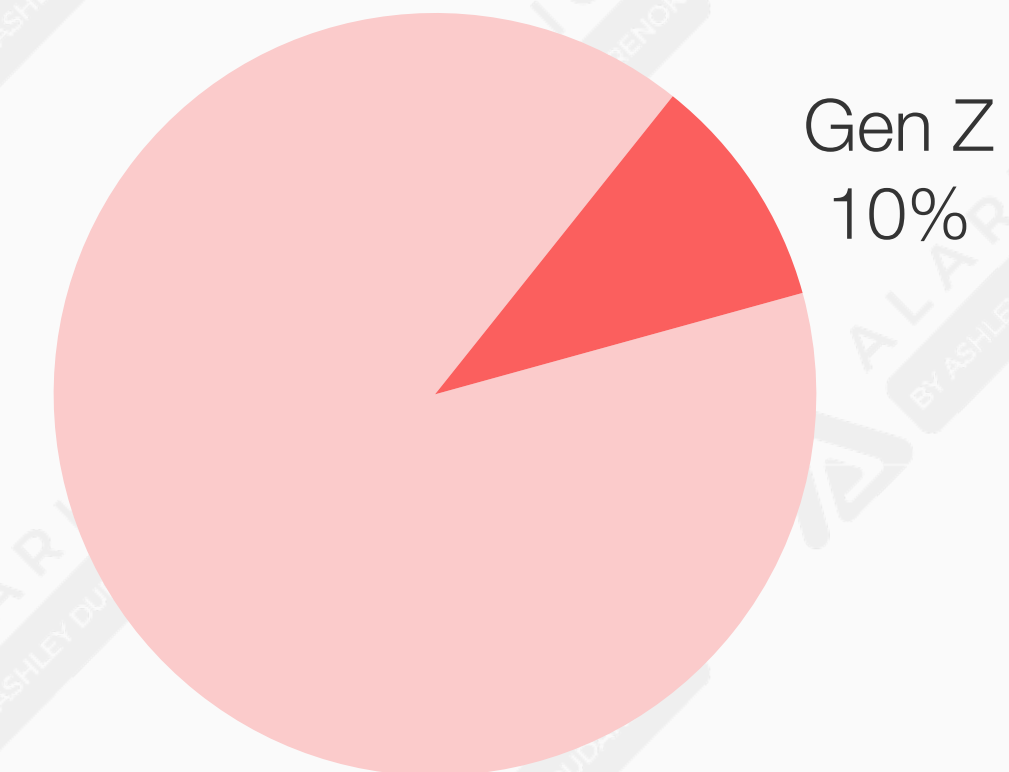
According to JD Corporate Blog, in 2020 Gen Z had the highest growth rate in online shopping turnover, 23% higher than average growth rate of the entire platform.

Gen Z pursues products from the domestic market: although only 10% of JD total consumers are from Gen Z, this generation purchased over 30% of domestic products, contributing to nearly 40% of total sales in this category.

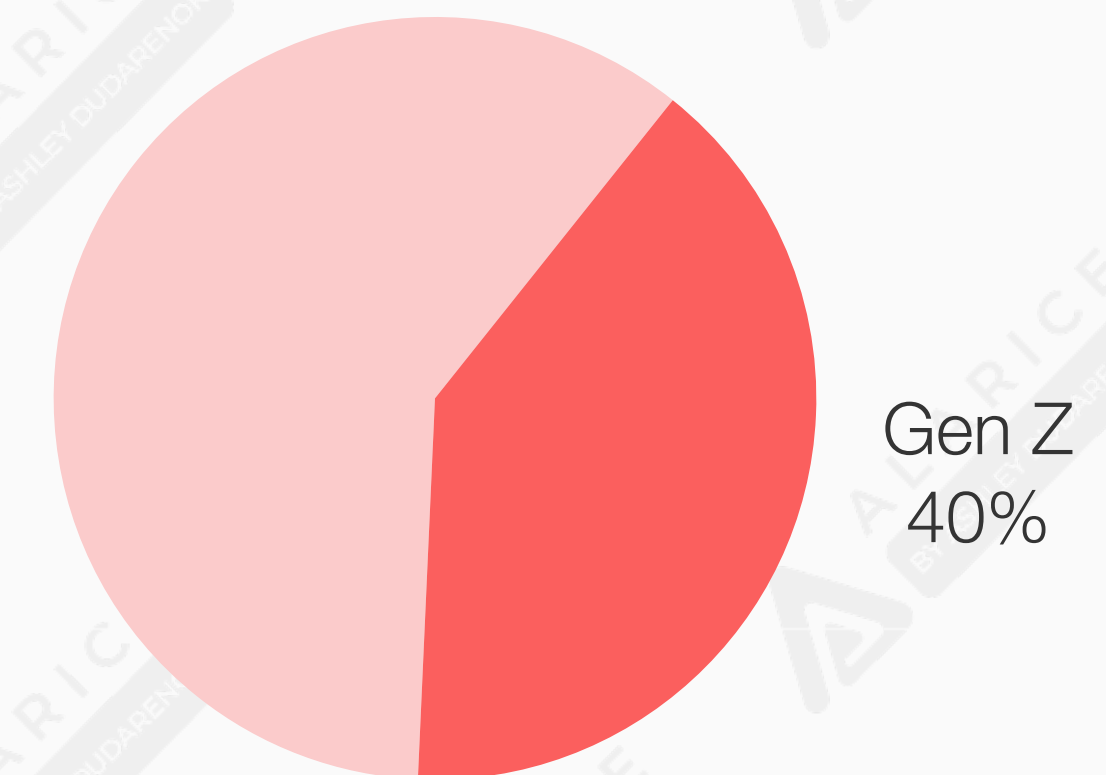
From purchases on JD it emerged that Gen Z prioritise their health, spend for their hobbies, they are pet lovers and have a preference for high tech devices that can simplify work when it comes to housework.

Top 3 products are lipsticks, canvas shoes from popular domestic brand Huili and gold pendants.

JD TOTAL CONSUMERS



JD DOMESTIC PRODUCT TOTAL SALES



KEY TAKEAWAYS

EXPERT BITES

Q: WHAT MARKETING ADVICE YOU CAN GIVE BRANDS TARGETING GEN Z?

Video content is key. Generation Z spends nearly two hours on video entertainment per day. They have three major consumption preferences: in experience, in beauty, and in idols.

1. **Experience** - blind boxes that are all the craze in recent years provides them with unboxing excitement.
2. **Beauty is everything** - because of their penchant for all things concerned with appearance, quality and design, they are the main force behind fashion and beauty consumption.
3. **Fans economy** - Spending on idols is like spending on hobbies. Besides top idols, Gen Z will also pay to support Internet celebrities.



JACQUELINE CHAN

Project Director
at Alarice & ChoZan

**GOT A QUESTION? DROP JACQUELINE
AN EMAIL BY SCANNING THE QR CODE**



KEY TAKEAWAYS

UNDERSTAND GEN Z'S SPECIFIC NEEDS AND CONSUMER BEHAVIOUR

Investing in reliable data and immersing yourself in Gen Z's culture to better understand them and their aesthetic preferences is the key to developing successful marketing campaigns.

As we mentioned, Gen Z consumers have unique personalities, which are reflected in their rich and diverse interests and hobbies both offline and online. They are experience oriented, have a high desire for personalised products and services and they are also characterised by more sophisticated tastes when it comes to product appearance, quality and design.

YSL CUSTOMISABLE LIPSTICKS



#你让我心动



#你是我的小幸运

Source: [Best China News](#)

YSL customisable lipsticks that allowed customers to engrave personal messages on their case were a popular gift choice for young people in occasion of the Qixi Festival.

Sources:

- 1) [McKinsey China Consumer Report 2021](#)
- 3) [MarketMeChina "Are you Prepared to Market to Chinese Gen Z?", April 20, 2021](#)
- 4) [Kantar "How can creativity win Gen Z and low-tier city consumers", April 16, 2021](#)

KEY TAKEAWAYS

PARTNER WITH THE RIGHT KOLS AND KOCS FOR SUCCESSFUL MARKET SEEDING

Gen Zs value KOLs and KOCs reviews and recommendations much more than any other consumer groups and are willing to accept product promotion in exchange for high quality content. They rely heavily on 种草 (literally "to plant grass"), to get inspired and discover new brands and products. This market seeding happens when consumers share about their purchases on social media apps like RED, Weibo, Bilibili, etc.

So, choosing the right digital platforms and KOLs can be an effective way to target specific groups and subgroups based on common interests and hobbies.

HENAN MUSEUM BLIND BOXES X KOLS



Source: [Bilibili](#)

The Archeological Blind Boxes by the Henan Museum were a big hit on e-commerce platforms after many users were seen posting on social media platforms or doing livestreams while unboxing the archeological blind boxes.

KEY TAKEAWAYS

CREATE A COMPREHENSIVE OMNICHANNEL EXPERIENCE

Providing an integrated online and offline communication in the Chinese market is key with most of the consumer groups, but even more so when targeting Gen Z.

Why? As the first generation of true digital natives, they are tech savvy and purchasing online is their go-to form of shopping, but their desire to be thrilled and engaged still brings them to physical stores to evaluate features and appearances of products that they will later buy on social media or e-commerce apps.

Make sure to offer a great experience in store, while facilitating offline and online integration to capture consumer data.

NIKE X SCAN TO TRY



Source: [Nike News](#) & [Business Insider](#)

In its store in Guangzhou, Nike offered digital experiences such as Nike Scan to Try On, Nike Scan to Learn, Nike Fit, which enables customers to figure out the most suitable shoes for them.

ABOUT US

OUR CHINA MARKETING SOLUTIONS



● MARKETING RESEARCH AND STRATEGY

Our China marketing research and strategy team gives you a detailed framework that will allow you to start and grow your business in mainland China.

● SOCIAL MEDIA MARKETING

We help you to localize messages, strengthen your brand image and reach out to target audiences through Chinese social media.

● INFLUENCER MARKETING AND CAMPAIGNS

We help you to establish goal-specific social marketing campaigns and fruitful collaboration with Chinese KOLs and influencers.

● CORPORATE TRAINING

We can increase your expertise on the Chinese market, Chinese consumers and Chinese social media with tailor-made masterclasses that put your team at the forefront. We do this by running courses around the world that you can join and creating corporate training programs for your team.

● CHINA INSIGHTS: CHINA MARKETING CRICLE

A private community on WhatsApp / WeChat that delivers the most relevant, up to the minute information, much of which can't be easily found online or in English. Join us if you're looking for curated insights, trends, strategies and case studies.

● KEYNOTE SPEECHES

Our founder, Ashley, is a well-known speaker and can deliver keynotes full of energy, insight and inspiration that will transform your event, motivate you and help you achieve your goals.

● CONSULTING CALLS

The quickest way to get your specific, urgent China marketing questions answered. Speak with Ashley or her team if you're under time pressure and need to get on the right track fast.

● CHINA MARKETING VIDEO COURSES

An 8-module masterclass available to anyone with an internet connection to get them up to speed on China's market, its modern consumers and Chinese social media marketing and selling.

● BOOKS AND MARKETING GUIDES

The most comprehensive books on the market about China's e-commerce landscape, Chinese social media influencers and New Retail. You can also buy our highly detailed WeChat and Weibo guidebooks to gain confidence with China's two most powerful social apps.

**GOT A QUESTION?
DROP US AN EMAIL BY
SCANNING THE QR CODE**



WORK WITH US



ALWAYS ON TOP OF CHINA'S DIGITAL HOT TOPICS

This is essential to provide the latest insights. You'll discover how different parts of China's digital landscape work separately and together. We have an unmatched ecosystem.



10 YEARS OF EXPERIENCE IN CHINA DIGITAL MARKETING

We have hands-on Chinese digital marketing execution experience and insights. Our strategies are based on real situations in the market and on platforms.



TAILOR-MADE CORPORATE CHINA DIGITAL TRAININGS

We can give your whole team the big picture, vision, clarity and motivation to unify your China strategy. We customize the training based on your industry and the outcomes desired.

REPORT CREATORS

CONNECT WITH US FOR MORE INSIGHTS

OUR TEAM



ASHLEY DUDARENOK

Founder of Alarice and ChoZan

China marketing expert, serial entrepreneur, professional speaker, bestselling author, vlogger, podcaster and media contributor with 15 years in Greater China.

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