



CHINA'S GEN Z:

**UNRAVELING CULTURAL
DYNAMICS 2023**

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With the coming of age of Gen Z, the marketing industry in China has witnessed momentous shifts in consumer behavior. Born after 1995, today Gen Z constitutes 17 percent of the Chinese population and contributes over 4 trillion yuan in consumption annually. [1]

Compared to previous generations, Gen Zers are highly individualistic, confident, and optimistic. According to BCG Customer Insights, Gen Z has above-average education levels compared to previous generations as well as greater access to Western culture, but it is proud of its Chinese heritage. [2] Gen Zers attach significant importance to wellbeing, both physical fitness and mental health. They are tech savvy and digitally connected, surfing the internet and social media platforms to make informed, smart decisions.

Through a combination of firsthand experience, observations from the field, and case studies, this report offers a snapshot of the trends defining China's Gen Z consumers to gauge their influence on the local marketing landscape.

[1] Yihan Ma, "Generation Z Consumers in China - Statistics & Facts," Statista, May 16, 2023, <https://www.statista.com/topics/9889/gen-z-consumers-in-china>

[2] Cinthia Chen, Stacey Li, Florence Li, and Ben Chen, "2023 China Future Consumer Report: Generation Edition," BCG, April 6, 2023, <https://mp.weixin.qq.com/s/8a5SxyxWzQafd4Lw-mws2w>

GEN Z: DIVERSITY WINS

Gen Z has grown up during China's rapid economic growth in the 2000s and 2010s. It is also the first generation of digital natives. With access to massive amounts of information on the internet during this financially stable era, Gen Z has a similarly expansive value spectrum. Gen Zers stand out as a cohort with diverse values, beliefs, and regional preferences. They embrace individualism and self-expression, often challenging traditional societal norms, and expect customization. [3]

Chinese lingerie brand NEIWAI is a compelling example of connecting with Gen Z over shared values. The brand has redefined the concept of beauty by embracing body diversity in its identity. Their groundbreaking 2020 campaign "NO BODY IS NOBODY" defied beauty stereotypes and celebrated the unique qualities of women, regardless of size or age.



NEIWAI | NO BODY IS NOBODY

First-ever lingerie campaign in China that celebrates body diversity

[3] Cinthia Chen, Stacey Li, Florence Li, and Ben Chen, "2023 China Future Consumer Report: Generation Edition," BCG, April 6, 2023, <https://mp.weixin.qq.com/s/8a5SxyxWzQafd4Lw-mws2w>



Similarly, we helped Fenty Beauty succeed in the Chinese market by highlighting the brand's all-embracing mantra "Beauty for All" and by aligning its mission of inclusivity and diversity with Gen Z's desire for self-expression. Through sponsorship by *Voguing Shanghai*, we built Fenty Beauty's story around different personas, rather than skin tone and race, to represent Chinese consumers and ensure they felt included and celebrated.



Fenty Beauty | *Voguing Shanghai* Sponsorship

Walking the talk on inclusivity and embracing self-expression, gender and sexual identity

GEN Z: TRADITION TAKES ON NEW MEANING

Gen Z's alternative lifestyles and drift away from mainstream behaviors also extend to traditional Chinese holidays. Gen Zers have an affinity for Chinese culture, which they manifest in bold new ways. According to Suning Finance, most Gen Zers have not experienced severe material shortages and demonstrate strong patriotic enthusiasm, cultural confidence, and acceptance of mainstream ideologies. [4]

When it comes to festivals, they're both redefining reunion formats and modernizing the concept of family. To Gen Zers, festivals are no longer a time for immediate relatives only; colleagues and friends now are seen as "loved ones" to spend meaningful reunions with.

Rémy Martin has redefined Chinese holidays with its modern take on traditional celebrations. For Chinese New Year, the brand depicted outdoor activities trending among Gen Z, such as DJing and camping, in holiday-themed art pieces, paying homage to traditional Chinese culture in a new way.



Rémy Martin | Chinese New Year

Recreating traditional art with depictions of activities popular among Gen Z

[4] Suning Finance, "Generation Z Group Consumer Trend Research Report," July, 2020, <https://www.cbndata.com/report/2345/detail?isReading=report&page=10>



Rémy Martin | Chinese New Year

Recreating traditional art with depictions of activities popular among Gen Z

In partnership with Rémy Martin, we launched a Mid-Autumn Festival campaign targeted specifically at Gen Z to toast the festivity not only with family members but also friends and lovers.



Rémy Martin | Mid-Autumn Festival

Including friends and lovers in traditional family reunions



Lululemon | THE PARTY

Gathering fitness lovers from across the country to champion a healthy lifestyle

GEN Z: THE UTMOST WELLNESS COMMUNITY

Compared to previous generations, Gen Z has experienced improvements in its standard of living due to rapid economic growth. [5] Positive in outlook and advocates of self-acceptance, Gen Zers are not simply trying to make ends meet: They prioritize wellbeing to achieve balance in all aspects of life, paying particular attention to physical and mental health.

With mindfulness in its DNA, lululemon aligned its messaging around physical and mental fitness with Gen Z's pursuit of holistic wellbeing.

[5] Suning Finance, "Generation Z Group Consumer Trend Research Report," July, 2020, <https://www.cbndata.com/report/2345/detail?isReading=report&page=10>

Aesop's campaign for 520 combined the brand's manifesto for healthy skin with powerful forms of body language, inspiring a deeper appreciation for people-to-people connections in today's digital era.



Aesop | 520

Revealing the power of hand gestures in communication,
and how hand care elevates interpersonal bonds

GEN Z: AUTHENTIC ENGAGEMENT IS KEY

Born after the enactment of the one-child policy, China's Gen Z was raised in small families, growing up with social clubs at school that were often the only channel for meeting peers with shared interests. According to BCG, the "Z Generation," characterized by individuality and independence, actively explores its own interests, and has given rise to and strengthened numerous subcultures. It exhibits more avant-garde personalities in terms of image, lifestyle, and aesthetic preferences in product design compared to other generations. [6]

Gen Zers today belong to a range of social circles that reflect the diverse interests, values, and sub-cultures existing within their generation. As a result, brands should adopt a layered influencer strategy to resonate with different Gen Z segments and create truly authentic brand engagement.

[6] Cinthia Chen, Stacey Li, Florence Li, and Ben Chen, "2023 China Future Consumer Report: Generation Edition," BCG, April 6, 2023, <https://mp.weixin.qq.com/s/8a5SxyxWzQafd4Lw-mws2w>

Lululemon has fostered a community of sport enthusiasts who come together to connect with like-minded peers and experience new lifestyles. In collaboration with fitness coaches and influential personalities, the brand has grown a vibrant social circle in China. A case in point is Lululemon's collaboration with Chinese drummer Atom on her musical interpretation of yoga.



Lululemon | This Is Yoga

Featuring drummer Atom's interpretation of yoga through music

Similarly, Le Labo upholds its core brand beliefs in craftsmanship, the arts, and culture by bringing together consumers who share the same values, forming social circles that enable meaningful brand-consumer interactions.



Le Labo

Partnering with artists to visualize brand values and craftsmanship

GEN Z: DYNAMIC SOCIAL MEDIA PERSONAS

China's Gen Z consumers exhibit dynamic personas across social media and use each digital platform for a specific purpose and experience. Compared with previous generations, Gen Zers go through a longer, more complex purchasing journey, one involving multiple touchpoints and channels.

Fenty Beauty, for example, worked with influencers on WeChat, RED, and Douyin to create product stories and educational content tailored specifically to those channels. The cosmetics brand experimented with different formats to target, reach, and engage corresponding audience personas on the three social platforms.

Fenty Beauty

Appealing to consumers through tailor-made messaging on different social platforms



WeChat

Brand storytelling and social trendspotting



RED

Makeup tutorials with realistic tips



Douyin

Quirky before-and-after videos

CLOSING

China's Gen Z stands out as an incredibly diverse consumer group when it comes to tastes, attitudes, and spending. It is a generation of evolving values and vibrant social circles.

Resonating with these influential consumers calls for brands to experiment and embrace the entrepreneurial mindset necessary to build a Gen Z proposition from the ground up.

How? Brands must acknowledge and celebrate the diversity of Chinese Gen Zers, focus on their well-being, and understand their use of social media platforms to nurture meaningful connections and build brand loyalty.

Embracing the power of Gen Z voices and harnessing their social circles will open new opportunities for brands to thrive in the Chinese market and make a lasting impact on this zestful generation.



ENDNOTES

Cinthia Chen, Stacey Li, Florence Li, and Ben Chen, "2023 China Future Consumer Report: Generation Edition," BCG, April 6, 2023

<https://mp.weixin.qq.com/s/8a5SxyxWzQafd4Lw-mws2w>

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