

China consumes 1/4 world's luxury goods



(Xinhua Photo)

"China will replace the U.S. as the world's second largest luxury goods market this year," said Robert Polet, CEO of Gucci Group. "Last year, the wealthy from Chinese mainland purchased one quarter of the world's luxury goods."

Chinese customers are young and have strong consumption potential for the world's luxury brands. According to relevant statistics, Chinese customers purchased 60 percent of their luxury goods when they traveled overseas. "Traveling abroad has become the important factor boosting luxury goods consumption."

According to Liu Jinshan, director of the Economics Department of Jinan University, three factors accounted for the upward trends in luxury goods consumption in China. Firstly, there is a group of newly affluent people who seek high-level and personalized goods. Secondly, they set an example for huge numbers of white collar workers who are acting as loyal slaves to the luxury brands. Thirdly, children of these rich families can afford the high-end products with their parents' financial support.

As for the development trend of China's luxury goods market, insiders estimate that Chinese people will spend up to 14.6 billion U.S. dollars on luxury goods in the next five years, marking China's status as the world's largest luxury goods market.

By People's Daily Online