Market Insights
by bluebell

Asia Lifestyle Consumer Profile 2022

Tracking lifestyle consumption drivers & trends in the world's most dynamic consumer markets

July 2022

About this study

This study is the second volume of Bluebell Group's Asia Lifestyle Consumer Profile. Based on an Asia-wide survey covering 2,100 premium lifestyle consumers across 6 markets, we present insights into evolving sentiments and trends shaping consumption across premium and luxury segments including fashion, accessories & footwear, beauty, fragrance & make-up, active lifestyle and jewellery & watch.

Survey Methodology

Consumers surveyed

- **Pool:** 2,100
- **Period:** March 2022
- **Age range:** 18-45
- **Lifestyle consumption:** EUR 1,200 minimum spending on lifestyle products in the previous 12 months.

Markets

- Hong Kong
- Japan
- Mainland China
- Southeast Asia (Singapore & Malaysia)
- South Korea
- Taiwan

A region in flux

Looking at evolving consumer outlooks about the future, we see a region in flux.

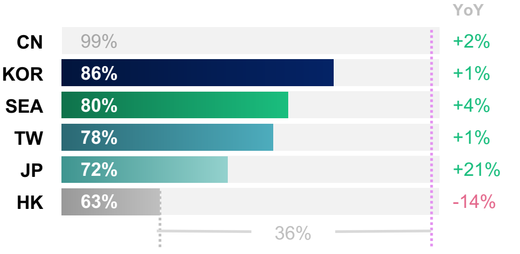
With intermittent city-wide lockdowns since March 2022, consumer confidence in **Mainland China** has likely taken a hit since our survey in early March, which showed 99% of respondents were "feeling positive about the future" (Fig. 1). Time will tell whether consumer confidence – and consumption – will be as resilient as they were after the first lockdowns of 2020.

Hong Kong, which has implemented some of the strictest measures in Asia since the beginning of the pandemic, is showing clear signs of waning morale, with only 63% of consumers feeling positive about the future (down 14% from 77% in 2021). Other markets appear steadily positive as COVID measures are lifted, with **Japan** seeing the biggest increase in optimism (+21% from 2021).

Against this backdrop, attitudes toward products and brands continue to evolve.

Fig. 1: Positive outlook about the future

Slightly/Strongly agree: "Generally speaking, I am feeling positive about the future."



In search of fresh ideas

Across all markets in Asia, consumers are increasingly considering luxury to be about

niche brands

that fewer people know about, but offer great style and quality. The biggest year-on-year increases in consumer interest towards niche brands are found in China (+34%), Taiwan (+31%) and Japan (+31%).

Second-hand

products are also slowly winning hearts, again with a year-on-year increase in consumer openness across all markets, led by Japan (+22%) and Taiwan (+26%).

Meanwhile, demand for

brand experiences

(through events, tech, entertainment, gaming) continues to grow, with the highest year-on-year increases in consumer interest in Japan (+27%) and Hong Kong (+8%).

More unequal across Asia, we see interest in

home time & home spa

gaining traction in Japan (+7% interest year-on-year), while losing ground in South Korea (-11%) and South-East Asia (-8%).

Finally, interest in

products associated with healthy / active lifestyle

is down overall, with the biggest year-on-year decreases in interest in South Korea (-8%) and Taiwan (-6%).

Channels of influence
by product category

Social media, official websites and friends & family are the most influential channels

For all product categories, **social media** remains the most effective channel for brands to engage and inspire consumers to purchase their products: 44% of consumers count it among the channels that have the most influence on them. This is followed by **official websites** (31%) and recommendations by **friends or family** (27%). Interestingly, **international celebrities** are more influential than **local celebrities.**

Jewellery & watches and beauty require refined channel strategies

For the jewellery & watch category, consumers say they are typically less influenced in general as it is more personal, except through **magazines & newspapers** and **international celebrities**, where they are more influenced than for other product categories. For beauty, fragrance and makeup, consumers are more likely to rely on **online blogs / reviews** than they are for other categories.

	Social Media	Official Website	Friends & family	Magazines & Newspapers	Online blogs / reviews	Influencers/ KOLs	In-store environment	International celebrities	Sales persons	Local celebrities
All categories	44%	31%	27%	18%	17%	17%	17%	13%	12%	9%
Highest category	51%	34%	31%	19%	20%	19%	18%	16%	15%	10%
Lowest category	37%	27%	22%	15%	15%	15%	15%	11%	11%	7%

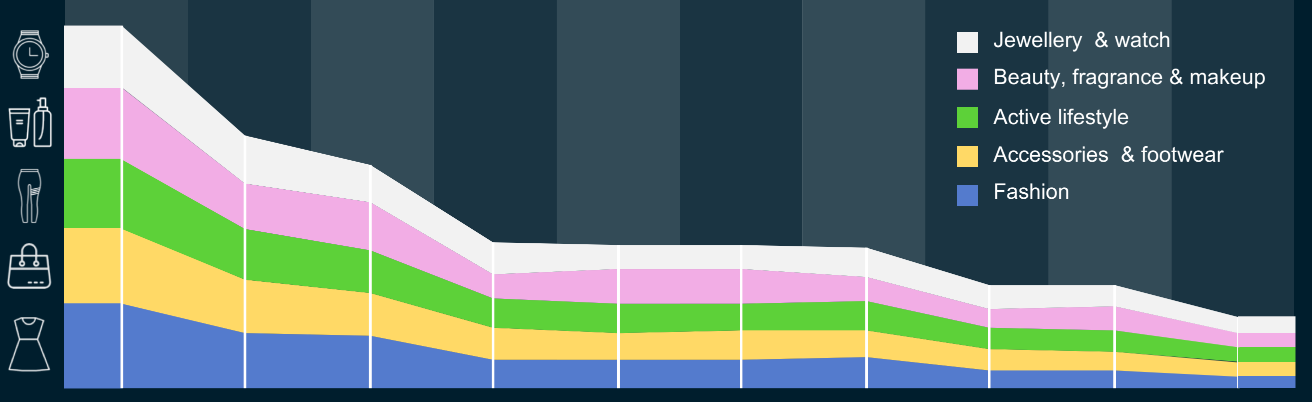


Fig. 2: Top influential channels for consumption, by product category
"When considering different categories of premium goods, which of the following channels are the most influential to you?"

Channels of influence by market

	Social Media	Official Website	Friends & family	Magazines & Newspapers	Online blogs / reviews	Influencers/ KOLs	In-store environment	International celebrities	Sales persons	Local celebrities
All markets	44%	31%	27%	18%	17%	17%	17%	13%	12%	9%
Highest market	60%	45%	35%	24%	34%	34%	26%	26%	19%	13%
Lowest market	29%	18%	20%	12%	5%	11%	10%	5%	6%	4%

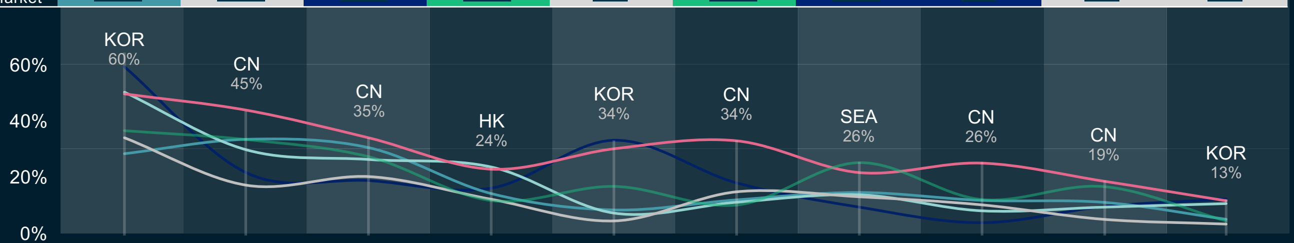


Fig. 3: Top influential channels for consumption, by market
"When considering different categories of premium goods, which of the following channels are the most influential to you?"

Different channels enjoy different levels of influence across Asia

When considering all categories of premium goods, South Korean consumers are the most likely to feel influenced by **social media** and **online blogs and reviews** (60% and 34% respectively, Fig. 3), while consumers in South East Asia are the most likely to feel influenced by the **in-store environment** (26%). **Magazines & Newspapers** enjoy the greatest popularity among Hong Kong consumers.

Instagram: not just in the West

On average, social media is the most influential channel in Asia (selected by 44% of respondents). This is particularly interesting when we consider the high percentage of consumers who follow their favourite lifestyle brands on Instagram. **Mainland China**, **South Korea** and **Taiwan** count the highest percentage of followers (84%, 81% and 76% respectively, Fig. 4), while **Japan** counts the lowest (54%). Digging deeper, consumers across most markets show almost equal interest in local and/or international accounts (Fig. 5), except for **Japan** and **Hong Kong**, where Instagram followers are significantly more interested in local accounts (45% and 30%, respectively) than international ones.

Fig. 4: Instagram fandom, by market
"Do you follow your favourite lifestyle brands on Instagram?"

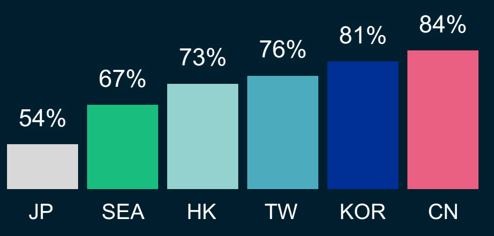
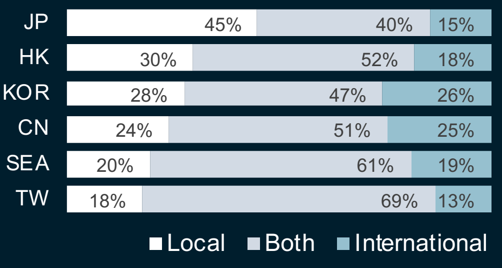


Fig. 5: Preference for local vs international Instagram brand account
"Do you prefer following the brand's international page or their local one?"



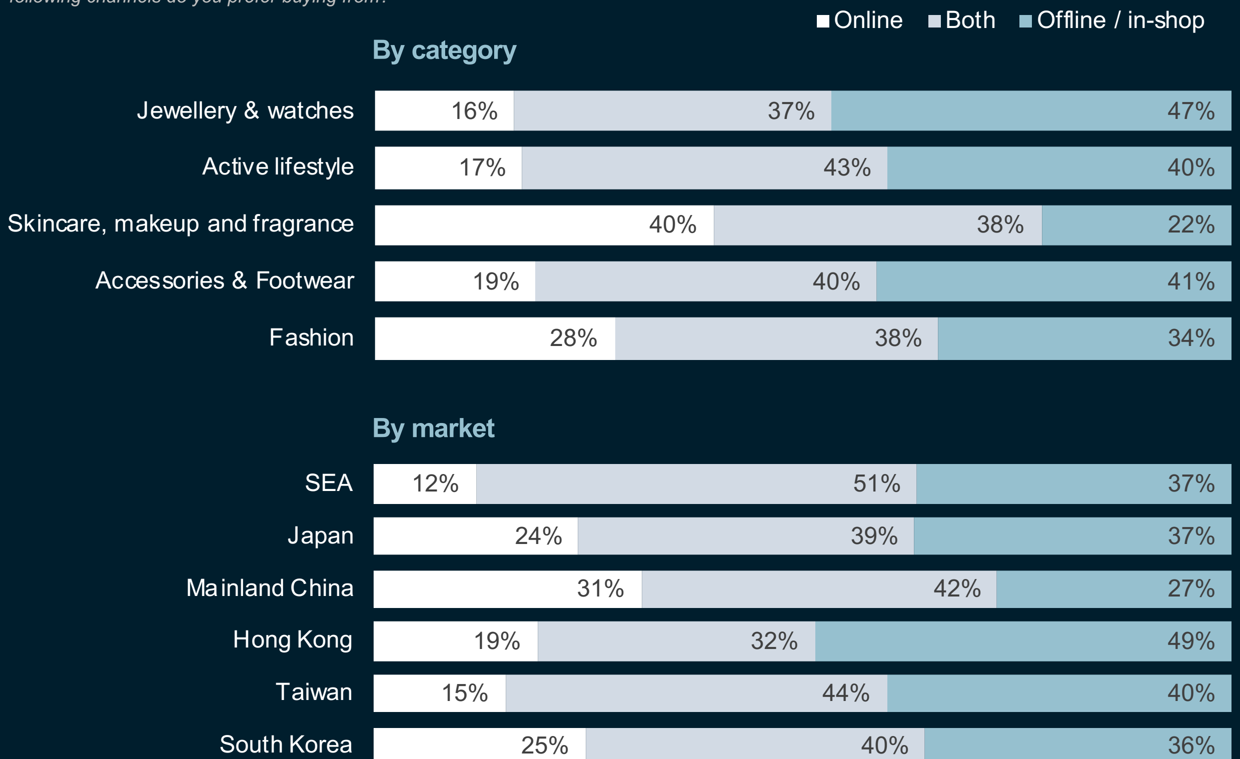
Channels of Purchase
by product category & market

Online is a hit for beauty;
Offline remains key for jewellery & watches;
Most consumers prefer a mix of both

Online purchasing channels are most popular among consumers of **skincare, makeup, and fragrance products** (40% of consumers prefer it over offline or a mix of both Fig. 6), while offline remains the main channel of choice for **jewellery & watch shoppers**. Overall, however, most consumers prefer a mix of both.

Looking at purchasing preferences between markets, online is most popular among consumers from **Mainland China** (31%), and least popular among **SEA shoppers. Hong Kong**, meanwhile, boasts the highest proportion of respondents in Asia (49%) who prefer to shop offline.

Fig. 6: Top channels for consumption
"When shopping for premium goods, which of the following channels do you prefer buying from?"



Asia Consumer Personas 2022

Against this backdrop of evolving consumer sentiment and behaviours, Bluebell Group has identified five broad consumer personas driving consumption trends across Asia in 2022.

Experientialist

From culture to entertainment and content, “immersion” is the name of the game for experientialists who want to feel part of a brand’s universe.

Neophilist

From niche brands to mix & matched products and the rising pre-owned market, neophilists are drawn to originality.

Traditionalist

Traditionalists look for the quintessential luxury shopping experience: big names, in-store service and a sense of status.

Idealist

Idealists want to feel good about their purchase, and care about brands’ ethics and values – but may still be driven by other priorities.

Comfort-me-ist

From their body to their home, consumers are paying attention to clean and natural options to feel healthier and more comfortable.

Experientialist

From culture to entertainment and content, "immersion" is the name of the game for consumers who want to feel part of a brand's universe.

Across Asia, consumers are welcoming brands' experiential offerings and products (Fig. 7) – with Japan seeing the strongest rise in interest from 2021. Indeed, experientialist consumers appear to embrace a **subscription mentality**, allaying their fear of missing out (FOMO) by signing-up to more and more brand services, newsletters and events.

But not all experiences are valued equally.

Looking at the **metaverse**, consumers from China and South Korea show more interest in retail experiences. *"I'm into gaming where a lot of people spend a lot of money dressing their characters. I think it will be really cool to integrate retail experiences into the metaverse"* shared a Chinese consumer.

When it comes to **NFTs**, Bluebell Group found consumer scepticism in most markets except Singapore: *"A lot of this is to do with marketing. It is very fragile and could burst like a bubble. It is also very 'on trend' but there is no safety, and you could lose everything. I question the credibility"* shared one Hong Kong consumer.

Attitudes are much more split when it comes to interest in feeling part of a brand's universe, with 93% of Chinese consumers interested, compared to only 59% of Japanese consumers (Fig. 8) – the biggest gap between markets among all of Bluebell Group's survey results.

A brand's immersion in local culture is still valued across Asia, with a notable 10% increase in Japanese consumers showing more interest (Fig. 9).

Fig. 7: Interest in new brands offering experiences

Slightly/Strongly agree: "When looking to purchase a new premium/lifestyle brand, I would definitely choose those that offer me 'experiences', through events, technology, entertainment or gaming elements."

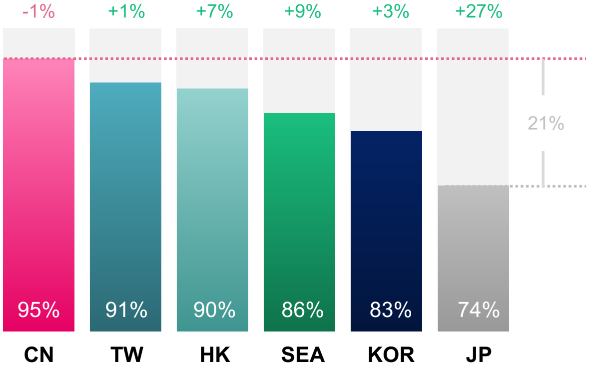


Fig. 8: Interest in being "part of a brand's universe"

Slightly/Strongly Agree: "I want to feel part of a brand's universe, and I like to subscribe to their local newsletters, Instagram or WeChat account, and I like it when they engage with me on a personal level through these channels."

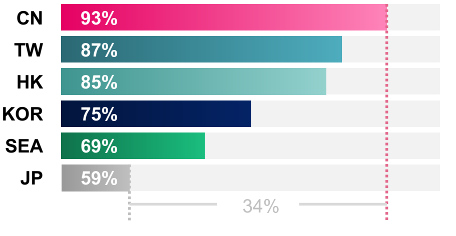
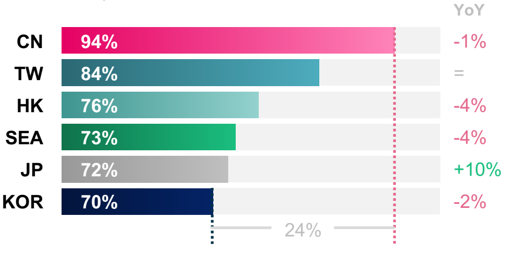


Fig. 9: Interest in brands with local cultural relevance

Slightly/Strongly Agree: "When searching for new brands, I am more interested in those that are immersed in the culture of our country."



Neophilist

From niche brands to mix & matched products and the rising pre-owned market, neophilists are drawn to originality.

The search for originality is markedly on the rise across Asia, as maturing consumers take more ‘risks’ with their consumption choices.

Interest in **niche brands** that fewer people know about, but that offer great style and quality, grew anywhere from 16% to 34% year-on-year, with consumers in Mainland China (89%), Taiwan (88%) and Hong Kong (88%) most keen on niche brands (Fig. 10).

In beauty, some consumers may also associate niche with specialised, as one consumer from Japan shares: *“Recently I’m more into clean and natural ingredients for my skincare products. I’m less into the big brands and going for more niche and gentle products.”*

Meanwhile, respondents in South Korea and South-East Asia showed the biggest year-on-year growth in interest (+9 and +17% respectively) in **mix & matching** products from premium and mass brands (Fig. 11), ranking them top in interest across Asia.

Most interestingly, Bluebell Group’s survey shows a unilateral increase in interest for **second-hand products** across the continent, with Taiwan and Japan experiencing the biggest year-on-year rises in interest among respondents - 26% and 22% respectively (Fig. 12).

Fig. 10: Perception of niche brands as the new luxury

Slightly/Strongly agree: “Luxury is now more about the niche brands that fewer people know about, but that offer great style and quality.”

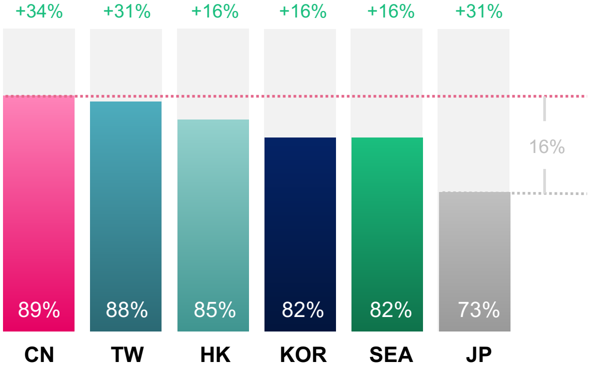


Fig. 11: Inclination to mix & match both premium and mass brands, across Asia

Slightly/Strongly agree: “Buying only Tier 1 branded items is not so important for me anymore. I now like to mix and match both premium and mass brands.”

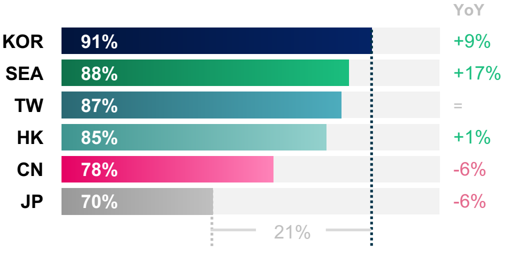
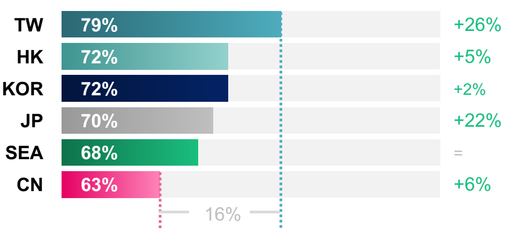


Fig. 12: Interest in second-hand products

Slightly/Strongly agree: “I am very open to the idea of buying second hand premium fashion and accessory items.”



Traditionalist

Traditionalists look for the quintessential luxury shopping experience: big names, in-store service and a sense of status.

Good news for heritage brands: demand for "traditional" luxury remains alive and well.

Chinese consumers still lead the continent in when it comes to traditional associations with luxury: 94% agree that the **reputation** of a premium or lifestyle brand is key to them when considering a purchase (Fig. 13), while 95% agree that buying luxury makes them feel like they have reached a **certain level of success** (Fig. 14).

Interestingly, South-East Asia (Singapore and Malaysia) itself saw a surge in respondents agreeing that reputation is key (+12% year-on-year), yet the opposite trend is true when it comes to consuming luxury for status and self-reward (-4%).

When it comes to consumers enjoying the '**human', in-store experiences from sales associates,** Taiwan and Hong Kong lead interest across Asia after experiencing strong year-on-year growth (20% and 10% respectively) among respondents showing interest (Fig. 15).

"I usually buy jewellery more to mark a special occasion. Jewellery tends to be quite expensive, so I prefer to buy offline and see the jewellery, and that way I also get a nice experience" shared a consumer from Taiwan.

Fig. 13: Importance placed on brand reputation in purchase decision

Slightly/Strongly agree: "The reputation of a premium/lifestyle brand is key to me when considering purchase."

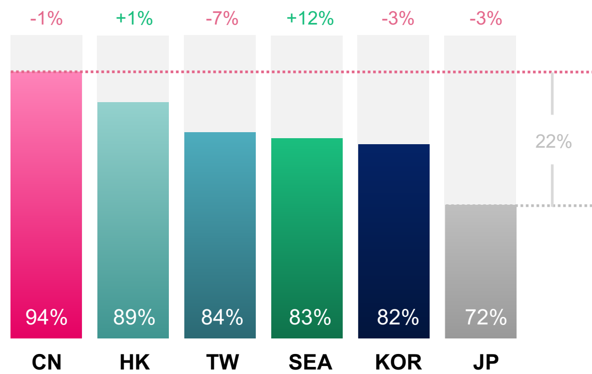


Fig. 14: Consumption of luxury for status and self-reward

Slightly/Strongly agree: "I still want to buy luxury (branded) items as I feel they are recognized by everyone and make me feel good about myself. That makes me feel I have reached a certain level of success and a reward to myself."

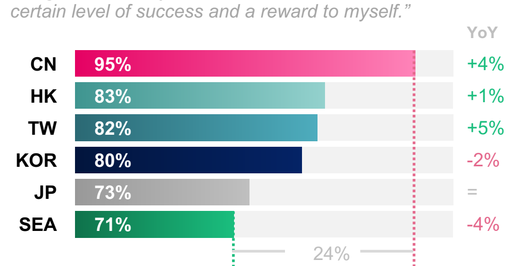
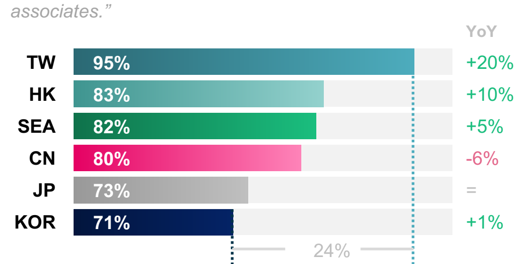


Fig. 15: Consumer preference for in-store, human services

Slightly/Strongly Agree: "I will still very much enjoy…and prefer…the 'human', in-store experiences from the sales associates."



Idealist

Idealists want to feel good about their purchase, and care about brands' ethics and values – but may still be driven by other priorities.

Along with growing discussions around the environment and social responsibility, consumer awareness and expectations are rising.

In our survey, over 80% of consumers in all markets except Japan agree that they will make sure a brand's products are **responsibly sourced** before they purchase (Fig. 16).

But when it comes to purchase decisions, a brand's ethics and values are still only a small part of the equation – with many consumers expecting these to be a given, including one of our Japanese respondents: *"Japanese TV speaks a lot about sustainability so I'm definitely more sensitive to it and more keen. More brands are about sustainability but it will not be the deciding factor when I purchase something. It's more of an added value."*

Case in point, the majority of consumers – 83% in Taiwan, 81% in China, 79% in South Korea – believe that the **lifestyle promise** that a brand offers is more important than if their products are natural or sustainable (Fig. 17).

Going one step further, over two-thirds of consumers agree **that sustainability would not be in their top 3 decision making** factors when purchasing premium brands – though numbers fell slightly in China (-5%) and South Korea (-7%)(Fig. 18).

Fig. 16: Importance placed on a brand's ethics and values

Slightly/Strongly agree: "Ethics and values of a brand are important. I will check the ethics behind a brand to make sure their products are responsibly sourced before I purchase a brand (such as the provenance of a diamond or responsibly sourced fabric / materials)."

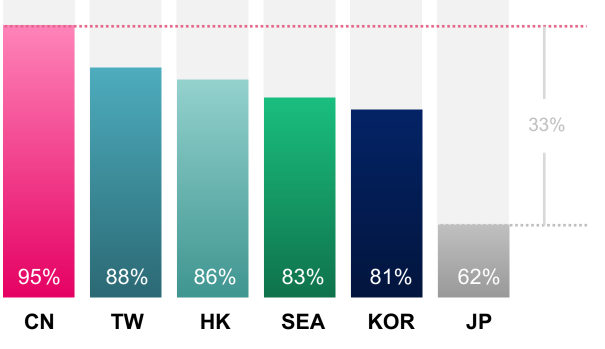


Fig. 17: Importance placed on a brand's lifestyle promise

Slightly/Strongly agree: "I believe that the lifestyle promise a brand offers is more important than if their products are natural or sustainable."

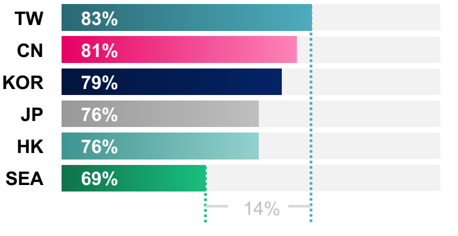
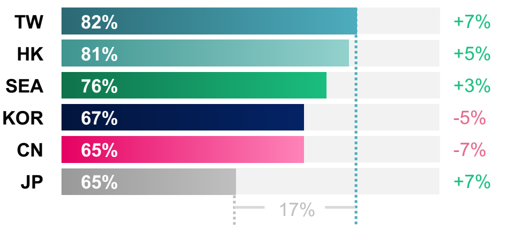


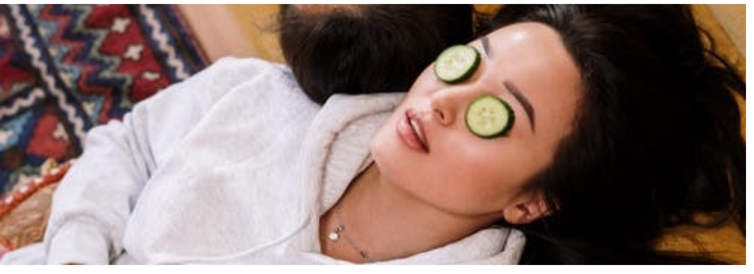
Fig. 18: Importance placed on sustainability

Slightly/Strongly agree: "'Sustainability' would not be in my top 3 decision making factors when purchasing premium brands."



Comfort-me-ist

From their body to their home, comfort-me-ists are paying attention to clean and natural options to feel healthier and more comfortable.



The pandemic gave rise to a wave of interest in **self-care** (both physical and mental), which appears to remain strong in 2022 – with Chinese consumers leading in terms of interest across healthy / active lifestyle products (95% of respondents, Fig. 19), 'home-spa' essentials (86% of respondents, Fig. 20) and natural choice brands (94% of respondents, Fig. 21).

Notably, markets across Asia appear increasingly interested in **'natural' choice brands**, be it in their ingredients or fabric – including South Korea (+7% in year-on-year interest), Hong Kong (+5%) and Japan (+5).

When it comes to **skincare products,** our interviews reveal that consumers consider "clean" and "efficacy" as intertwined. According to one respondent from Hong Kong: *"If a product is 'clean', then it makes the product more credible and it should work better anyway."*

Gourmet food, and in particular premium chocolates, also emerged as a point of high interest among respondents across Asia, mostly for self-consumption – although respondents from Hong Kong and Taiwan focused more on gifting.

"I love all imported gourmet food. I think the quality and taste I much better and I'm willing to pay for it" shared a consumer from China.

Fig. 19: Interest in products associated with healthy / active lifestyle

Slightly/Strongly Agree: "Since COVID, I now want to spend more on products that let me enjoy a healthier and more active lifestyle."

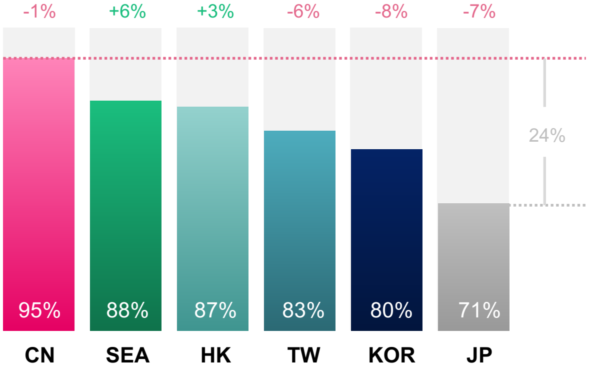


Fig. 20: Interest in 'home-spa' essentials

Slightly/Strongly Agree: "I am beginning to enjoy spending more time at home and will spend more on 'home spa' type essentials."

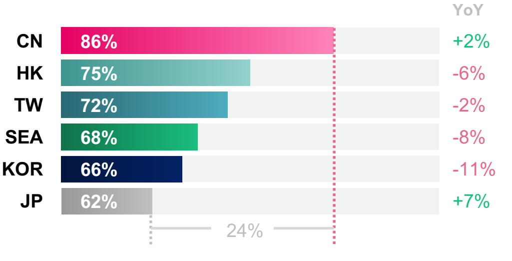
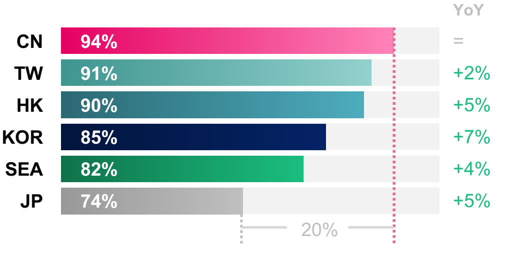


Fig. 21: Interest in 'natural choice' brands

Slightly/Strongly Agree: "I do now prefer to buy those more 'natural' choice brands, be it in their ingredients or fabric."



Market Insights
by bluebell

For more information, contact
the Markets Insights Team
groupcomms@bluebellgroup.com
Or visit our website
www.bluebellgroup.com

The brand behind the brands