

Research on the Development Strategy of China's Luxury Market and Luxury Industry

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Abstract: With the rapid development of China's economy, the national income is increasing, and the living standards of the people are also increasing. More and more people are beginning to pursue high-quality life, making China an important luxury consumer in the world. In order to analyse the development status of international luxury brands in China, the countermeasures and suggestions for the development of China's luxury goods industry are proposed to promote the sustainable development of China's luxury goods industry.

1. Introduction

Our country has promoted the construction of a community with a shared future for mankind and adhered to the policy of opening up to the outside world. China's international economy and trade have developed rapidly. Due to the improvement in the living standards of our people in recent years and the increase in the number of import and export trades, the trend of luxury consumption in China has risen in recent years. Shanghai and other developed cities have set off a wave of mid-to-high-end consumption. At the same time, the strengthening of female economic strength and the consolidation of social status have provided certain conditions for the rise of the luxury industry in China. The development of the luxury industry in recent years, it has always been an economic hotspot. With the growth of national income and the awakening of female sense of independence and the adherence to the country's strategy of opening up, the Chinese people have become a very important consumer market for international luxury brands. Major luxury brands have continued to enter China. And exports, China also has a wave of "luxury shopping". From celebrity endorsements to luxury image advertising, from the brand's cultural background introduction to the holding of fashion weeks, the major luxury brands in China The consumer market has become very broad, and the Chinese people's demand for luxury goods is increasing.

2. Background of the Development of China's Luxury Market

2.1 The Rapid Development of China's Import and Export Trade

China proposes the "The Belt and Road Initiative" policy, insists on opening up to the outside world, and promotes the active establishment of a community of shared future for mankind. In line with the trend of economic globalization, China will actively combine "introduction" and "going out" to drive other countries with China's own development. Development, to achieve a win-win goal in cooperation. This provided the necessary conditions for the rise of the luxury market in China. Even in the special period of the 2008 economic crisis, international luxury brands did not stop for this huge consumption of China. As shown in the figure, from a macro perspective, mainland China's GDP is still growing by a large margin, and China's economic growth rate in the first quarter of 2009 is still 6.1%, indicating that the economic crisis has not yet had a huge impact on China. The continued health of the economy Development provides conditions for development

in various fields [1]. Continuous economic growth is the basis for China's import and export trade. Due to the increase in national income and the continuous improvement of people's living standards, the people's requirements for their own material living standards have also become higher and higher, from material conditions to spiritual conditions. Enjoying consumption, the people are no longer satisfied with food and clothing, and began to pursue spiritual and cultural needs. The rise of overseas purchasing has met the people's pursuit of brand names and imported products. The development of China's foreign trade has provided policy support for the people's needs.

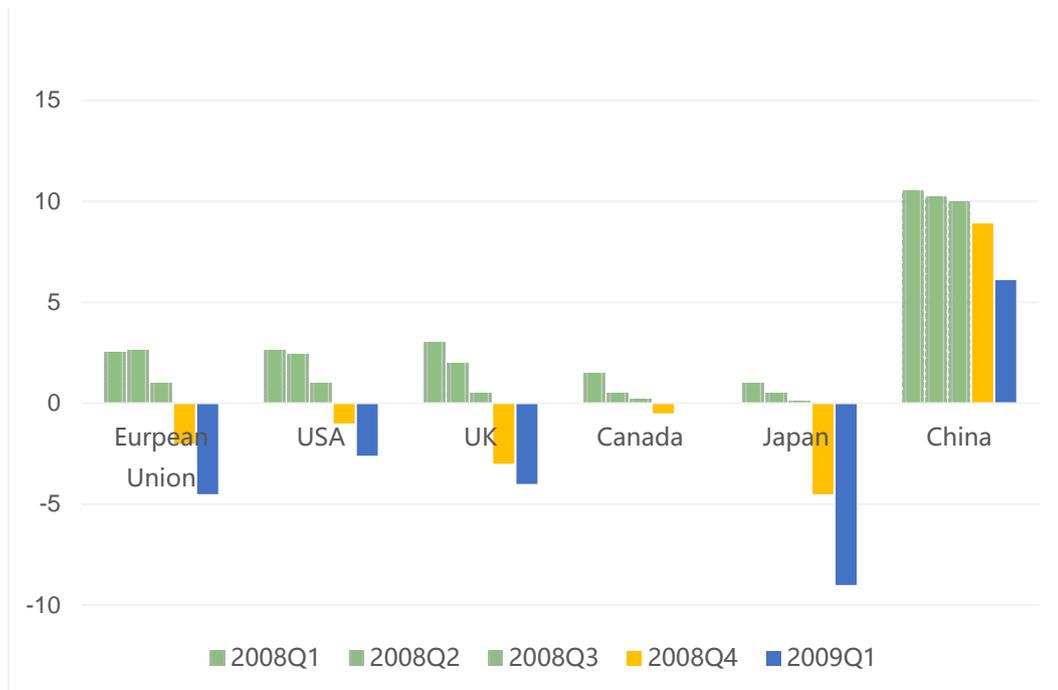


Figure 1 Comparison of the GDP growth rate of the world's major economies from the first quarter of 2008 to the first quarter of 2009 (compared with the same period last year).

2.2 Increase in Female Consumption

The economic foundation determines the superstructure, and female income growth increases with the changes of the times and the development of China's economy. The 2016 Survey Report on the Consumption of Women in Chinese Cities shows: "39.2% of women surveyed have increased their income; 26.3% of women the women surveyed expressed satisfaction with their family income, which was 4.1 percentage points higher than the previous year. The average personal income of urban women was 7020 yuan; the average contribution rate of women to family income was 47.8%; 63.2% of women had real estate under their names. All the data show the increase of female economic strength and social status [2]. The establishment of female independent consciousness and new consumption concepts provide an economic basis for female consumption of luxury goods. Women no longer rely on men. female roles have become more and more in the family and in society. The more important the increase in the number and proportion of women in the workplace has provided a huge consumer market for Chinese luxury goods consumption, women have begun to continuously pursue the quality of life and the improvement of their own consumption quality, providing the development of the luxury goods industry in China.

3. Status of Luxury Consumption in China

3.1 Development of China's Tax-free Market

China's international exchanges have become more frequent with the trend of economic globalization, and the Chinese people's travel has also increased with the increase of income. Tourism has become a new economic growth point with the increase of national income.

Supply-side structure the reform has promoted the continuous growth of urban residents' income, and the number of duty-free shops in China is gradually increasing this year. As an emerging market in China, China's tax-free shop market has huge potential for growth. Tax-free promotion has promoted the development of tourism and tourism has also promoted the development of the tax-free industry. The development of the tertiary industry has an impact on and promotes the development of China's tax-free industry in recent years. Many women pay more attention to fashion consumption and imports compared to food consumption and accommodation consumption in tourism. Consumption of products. Many women spend much more in duty-free shops than they spend. Shopping to a certain extent meets the consumer's psychological satisfaction and the pursuit of material level [2]. As shown in the figure below, this article analyzes the Chinese tax-free market by analyzing relevant economic factors in recent years.

Table 2 Some economic factors data in 2007—2016.

years	Sales of duty-free goods (100 million yuan)	Passenger traffic on international routes (10,000 people)	Overseas luxury consumption (US \$ 100 million)	gdp (100 million yuan)
2007	49.80	1692.19	98.28	270232.3
2008	59.80	1519.00	116.00	319515.5
2009	68.30	1473.50	130.00	349081.4
2010	90.00	1931.43	467.50	413030.3
2011	119.50	2118.05	805.00	489300.6
2012	168.00	2335.81	688.00	540367.4
2013	195.00	2654.80	740.00	595244.4
2014	218.00	3154.98	810.00	643974.00
2015	242.00	4206.96	910.00	689052.1
2016	281.50	5162.28	928.00	743585.5

3.2 International Luxury Brands Entering China

Since the reform and opening up, the people's material and cultural needs have gradually increased, and luxury goods are not limited to private cars, villas, and meat and wine on the diet. More and more overseas purchasing markets and fashion luxury consumer markets The range of luxury goods is also increasing, from the once homogeneous diet, residential and daily necessities to today's low-end, mid-range and high-end luxury products at different levels, luxury brands are not limited to the public Of those, there are also some light luxury goods and relatively slightly luxury fast fashion brands to spend for student parties and relatively low-income people [3]. Nowadays, our people's pursuit of luxury brands and value for money is getting higher and higher. International luxury brands are no longer as out of reach as ever, and more and more college students are beginning to pursue luxury brands. Cosmetics and clothing.

4. Strategies for Developing China's Luxury Industry

4.1 Hierarchical and Precise Positioning of Luxury Consumer Groups

According to different incomes, consumption views, and pursuits, consumer groups will face different market needs, and they should closely follow customer needs and position customer groups in layers. For example, consumers seeking cost-effectiveness can focus on the promotion and pursuit of luxury consumer goods. Famous brand consumers can promote the promotion of international big brands, while consumers who pursue quality can promote the promotion of high quality luxury brands. The diversification of luxury goods is often reflected in its fashion, quality, price and other aspects, using the era of big data Services such as cloud computing, accurately positioning the luxury consumer market to promote precision marketing, and improve the marketing efficiency of the Chinese luxury market. In line with the development of the Internet era, through the mining of customer personal information and corresponding data analysis to meet the needs of customers and the promotion of corresponding luxury products to them, stimulate customers' desire

to buy, improve the marketing efficiency of luxury brands, and promote the sustainable development of the luxury goods industry.

4.2 Promote the Development of Domestic Luxury Brands

As a large luxury consumer country, China has fewer domestic luxury brands compared to the market and has not yet met the demand for luxury brands. Domestic luxury brands have a single structure and are not cost-effective. Many domestic luxury consumer groups are Next, we will choose the old luxury goods such as Europe, America and Japan [4]. China should encourage the development of the luxury goods industry, break the situation in which the international luxury goods monopolize the Chinese market, increase the R & D efforts of the country's luxury goods, and build a development platform for the luxury goods industry in China. The "Chinese style" fashion elements in recent years it has become fashionable in China, and the luxury industry in China should seize this development opportunity to promote the development of China's economy with the development of the luxury industry. Create luxury brands with Chinese characteristics to stimulate domestic demand and increase the development speed of local luxury brands. To promote the development of the country's luxury goods industry.

5. Conclusion

The rise of China, a huge luxury consumer market, is both an opportunity and a challenge for China. How to seize this development opportunity and how to respond to the challenge of international luxury brands monopolizing the luxury market is a question that China should ponder deeply. Domestic demand, how to stimulate national consumption of domestic luxury brands, and establish the image trust of domestic luxury brands will become a major problem in the development of China's luxury industry.

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