



Lunar New Year shopping trends 2015

LUCAS LEDBETTER
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The year of the Ram debuted with an unprecedented explosion of Chinese travel and purchases abroad. [Xinhua reported](#) that trips by Chinese travelers were up 10% since the last New Year, with a total of 5,180,000 going abroad. With this burgeoning consumer market, taking a closer look at the shopping trends during the week of [the Spring Festival](#) will help businesses prepare for the summer, which is the next major Chinese travel season.

According to *Sohu*, Chinese demand for purchasing [foreign goods abroad](#) was driven by three factors: quality, after-sales service, and price. Lack of confidence in the quality of domestic products, equating high-tech foreign products with an elevated lifestyle, and the perception that imports are of higher quality all drove demand for foreign household and luxury items.

The appeal of going abroad to purchase these items lies partly in the superior after-sales service from retailers outside of China, such as being able to conveniently return goods, as well as lower prices abroad due to customs duties on imports and expenses incurred through domestic distribution channels.

Shopping destinations

China Daily reports that one of the most significant new destinations in the pursuit of these goods was Seoul, which is replacing “TST” (Tsim Sha Tsui, a major shopping district in Hong Kong) as part of what HSBC Consulting’s Consumer and Luxury Goods Department has dubbed the “New TST” (Tokyo, Seoul, Taipei). Shoppers were particularly drawn to Seoul due to its proximity and an adoration of Korean pop culture.

Main purchases included cosmetics and apparel, kitchenware, household electronics, and furniture. With a record 130,000 Chinese traveling to Korea, boosting department store sales by 75%, Korea, with its sagging domestic demand, was the clearest winner this Spring Festival.

[Japan’s slack domestic economy](#) was also propped up by Chinese travelers, who took advantage of the expansion of low-price airlines and depreciation in the Japanese Yen. February is usually a low season in Osaka, but this year it was busy with a 250% increase in sales of duty-free items, as well as increases in the sales of cosmetics, disposable diapers, household electronics such as rice cookers and toilet seats, Hello Kitty stationery, and Japanese-made whiskey. Tourism and skiing in Hokkaido boomed, snacks sold quickly, and packed hotels enjoyed high prices.

The “*New Express*” reported that Chinese people rushed to purchase real estate around Sydney, with over 600 locations sold. Buying homes during the week of the New Year is considered lucky, and historically low interest rates and a depreciated Australian dollar served as catalysts. Powdered milk and health goods were also hot items.

Other major destinations included Germany for its knives, pots and pans, purses, and luxury accessories; Europe in general for its powdered milk and cribs; the U.S. for purses, clothing and accessories, electronics, baby goods, and health products; Singapore for powdered milk and health products; and Hong Kong and Korea for their cosmetics and clothing.

Paving the way for Chinese consumers abroad

One more trend was notable this year: the growing awareness of destination countries that Chinese tourists were a market worth vying for. Japanese merchants greeted customers in Chinese; signage and broadcasts in Chinese could be found everywhere in Seoul and Chinese credit cards were widely accepted; and in London, one department store reportedly employed 40 Chinese-speaking personnel. German retailers were extremely proactive, with Chinese signs and decor, red envelopes, additional discounts for Chinese tourists, and sales events promoted on Weixin and Weibo.

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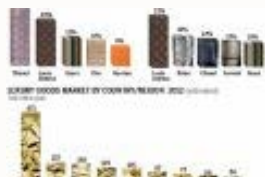
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