

Market : Guochao Wellness

The Chinese luxury wellness sector has shifted gears by embracing the ‘national trend’ of Guochao, offering authentic cultural experiences and C-beauty products.

The pandemic and a draconian zero-Covid policy restricting all travel for nearly three years pushed Chinese consumers to look inwards for tourism, with rising destinations such as Hainan, as well as culture and consumption.

Beneath the surface of Guochao also lies China’s rise to be the world’s second-largest economy. Government propaganda has further fuelled a strong sense of national pride across all facets of life. Chinese individuals who previously embraced Westernisation without question have now become more culturally aware, and are seeking to reconnect with their own unique Chinese identity rooted in their culture and heritage.

Market Snapshot:

- : Since 2021, this nationalist sentiment has resulted in a sustained consumer move away from Western brands such as Nike and Adidas in the Chinese market (source: **Bloomberg**)
- : Brands active in the Guochao market have seen a growth rate three times higher than ordinary competitors. One brand estimates the market for Guochao fashion alone is worth £3.8bn (Rmb35bn, \$4.8bn, €4.5bn) (source: **Jing Daily**)

MARKET SHIFTS



Amandayan Spa, Lijiang, China



Bei TeaHouse at Amanyangyun hotel, Shanghai, China



su:m37 campaign, China

Heritage Spa Treatments

The luxury wellness hospitality sector is using certain regions’ rich know-how and local resources to attract visitors. In the capital, **Rosewood Beijing’s Sense Spa** offers treatments inspired by the Forbidden City’s lost remedies.

Architectural Fusion

The Chinese wellness sector is also embracing Guochao in architecture and interior design. **Aman Resorts** moved a historic 2,000-year-old forest and houses 800km to create its **Amanyangyun** luxury wellness temple on the outskirts of Shanghai.

Premiumising C-Beauty

As Chinese beauty brands premiumise themselves while betting on Chinese ingredients, remedies, rituals and aesthetics, more affluent Chinese consumers are switching – leaving international names like **Estée Lauder**, **La Mer** and **La Prairie** in favour of Chinese luxury beauty brands.

Strategic Opportunities

Culture Codes	Localised Hospitality	Proceed with Caution
China is home to a wide variety of local cultures and brands should not use Guochao as a generic cultural trend. To better understand the concept for your business, consider distilling the specific culture codes, features and elements instead of oversimplifying	In the wellness tourism sector, consider how to develop authentic cultural experiences and treatments inspired by Chinese heritage, such as spa treatments that use local know-how and resources	Guochao is not a solution fit for all marketing strategies in China – sluggish economic growth could dampen national pride and confidence. Be cautiously optimistic while tapping the growing momentum of this direction

‘As the Chinese economy experiences a spiral downturn, amid high unemployment among youngsters, for instance, it is too early to predict that Guochao will embody a Chinese cultural renaissance as more uncertainty is under way’

Grace Mou, Shanghai-based trend and culture forecaster