

Weekly China Insight

Beijing, 13 February 2026

Chinese State Council kicks off 2026 policy agenda with AI+

On 11 February, the State Council held its 18th group study session, themed on deepening the “AI+” initiative to empower all sectors of the economy, marking its first group study session of 2026. Premier Li Qiang chaired the session and emphasized the need to implement President Xi’s directives on artificial intelligence, advance full-chain technological breakthroughs and full-scenario applications, and foster “new quality productive forces” to drive high-quality growth. The session featured a briefing by Zhou Bowen, director of the Shanghai Artificial Intelligence Laboratory.

Premier Li noted that AI is profoundly transforming production and lifestyles, with the “AI+” action already generating new industries and business models. AI-enabled consumer products, including AI smartphones, computers, and glasses, are already entering households, while integration with frontier technologies such as the metaverse, low-altitude aviation, additive manufacturing, and brain-computer interfaces is accelerating. Li called for strengthening algorithm innovation, expanding high-quality data supply, and building pilot bases for AI commercialization. Li also pledged to optimize the layout of computing resources, coordinate data, computing power, electricity, and network infrastructure.

By placing AI+ at the center of its first policy study session of the year, the central government signals that AI is evolving from a technology priority into a systemic economic strategy.

Tech giants deploy RMB 4.5 billion in Lunar New Year AI subsidy blitz

On 6 February, Alibaba’s Qwen AI App launched its “RMB 30 billion free orders” campaign, inviting users nationwide to order milk tea with a single AI-generated sentence. Within three hours of going live, more than 1 million milk tea orders were placed through the app. The promotion offers RMB 25 no-threshold coupons, enabling purchases for as little as RMB 0.01, triggering a wave of subsidy-driven downloads heading into China’s Lunar New Year holiday. The campaign is part of a broader AI marketing push by major platforms including Alibaba Group, ByteDance, Tencent, and Baidu, which together have pledged RMB 4.5 billion in related subsidies during the upcoming holiday season. The strategy echoes earlier mobile internet subsidy wars in payments, food delivery, and ride-hailing, where cash incentives secured initial user acquisition.

The RMB 4.5 billion holiday subsidy campaign highlights both the urgency and anxiety surrounding AI commercialization in China.

Young investors engage in gold rush for Lunar New Year

Heading into the upcoming Lunar New Year holiday in China, gold consumption has surged across investment, gifting, and emotional spending categories. All over China, brands including Chow Tai Fook, Chow Sang Sang, and Luk Fook Jewellery have rolled out pre-holiday discounts to attract even more customers. With gold jewelry prices retreating from above RMB 1,700 per gram to the RMB 1,500 range, some retailers are offering RMB 100 per gram discounts to stimulate demand.

Micro-gram gold products are also booming, with “gold phone stickers” containing as little as 0.002 grams of gold logging over 22,000 sales on e-commerce platforms. According to the China Gold Association, gold bar and coin consumption rose 35.14% y/y in 2025, while jewelry consumption fell 31.6% y/y. Some young consumers are adopting a “buy one gold bean per month” strategy, purchasing 0.5g or 1g pieces each month as a form of light investment.

The Lunar new year gold frenzy underscores a behavioral shift toward investment-oriented consumption among younger buyers.

Pre-holiday rush ignites beauty and housekeeping consumption surges

On 11 February, nail salons in Beijing were still welcoming customers past 9pm, as China entered the annual peak season for the beauty industry. According to Meituan data, searches for “hairdressing, nail, and eyelash” services jumped more than 90% w/w in the two weeks before the Lunar new year holiday, with nail-related searches doubling. Fansa Nail & Eyelash reported pre-holiday bookings up 50% versus normal periods, with in-store transaction volumes nearly doubling and some outlets extending hours until 3am. Misi You Nail & Eyelash said orders since 1 February have doubled overall, with nail services up 2.5 times and eyelash services up 1.5 times from regular levels. For technicians, the intense period translated into significantly higher incomes, with Meituan data showing nearly 300,000 beauty professionals earning close to 100% more over the pre-holiday weekends. Didi forecasts that trips to beauty salons will increase 67% before the holiday, while visits to shopping malls will rise 49%. Meanwhile, housekeeping searches surged 158% w/w, with “home cleaning” up 174% w/w, “window cleaning” up 254% w/w, and “deep cleaning” up 260% w/w.

The pre-Lunar-new-year holiday spike underscores how ritual-driven consumption continues to drive service-sector growth.