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Lego doubling down on China market

Opening of Legoland Shanghai Resort marks major milestone in group's efforts to build a full ecosystem — from retail and brand experiences to product innovation and education

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The opening of Legoland Shanghai Resort on July 5 has been key to Lego Group's long-term strategy in China, marking a major milestone in its efforts to build a full ecosystem — from retail and brand experiences to product innovation and education.

The move has also showcased the group's strong commitment to its development in China.

The \$550 million resort, China's first and the largest Legoland park at the time of opening, is the result of collaboration between Shanghai Jinshan Urban Construction Investment Group, UK-based Merlin Entertainments Group, Denmark's KIRKBI Invest A/S under KIRKBI, the parent company of Lego Group, and Chinese media and entertainment conglomerate CMC Inc.

The 318,000-square-meter resort boasts eight themed lands with more than 75 interactive rides, shows and attractions, as well as thousands of models built using over 85 million Lego bricks.

"It's part of our strategy to have kind of the full ecosystem," said Niels B. Christiansen, president and CEO of Lego Group. "It's important for the brand to create experiences like this."

"Would we like to have more over time? Yes, we would," he added. "But this Legoland Shanghai has been on the way for almost 10 years. It's a big thing — making a park like this. You don't just decide it and build it."

Christiansen believes Legoland brings something distinctive to the entertainment and theme parks landscape in China, which include leading global players Shanghai Disney Resort and Universal Beijing Resort.

"A Legoland resort makes a difference," he said. "We have attractions, and you can go on a roller coaster. But you can also go into mini land, and suddenly you have the Shanghai skyline in amazing size just in front of you."

With around 450 stores and a growing digital presence, the world's leading toy company views China — home to 200 million children — as one of its most strategically important markets.

"Now we are in China with all the different elements of the Lego brand — including building brands, product retail channels and resort," Christiansen said. "An investment like the one in this resort kind of shows our commitment to the Chinese market."

"I have no doubts about the long-term growth prospects of China — both as a global economy and for the Lego Group in China."

The company has returned to



growth in the Chinese market in the first half of 2025 after a flat performance last year and is rolling out new initiatives to deepen its reach.

"We've been able to maintain strong growth, which is really a privilege," Christiansen said. "Opening a resort like this and bringing that to consumers — our vision is clearly to grow revenue and the business, but also to grow by reaching more consumers."

To that end, Lego has launched brand events in China ranging from World Play Day to activations around botanical collections and Formula One. "We keep upgrading our stores and making sure that they fulfill what consumers are really looking for," he said.

On its supply chain, while global manufacturers continue to face logistics volatility and tariff concerns, the group has remained resilient — thanks to a regionalized production strategy.

The company manufactures closer to where demand is, both to ensure flexibility and to align with sustainability goals. "Many of the Lego sets that Chinese children will receive this festival season haven't even been produced yet," Christiansen said, "because we can manufacture them just in time, based on which ones are the most attractive sets".

With two factories serving Asia, three in Europe, and one (soon to be two) in the Americas, Christiansen said: "We're not that dependent on tariffs and moving things around the world. In that sense, we've been able to deliver throughout this period."

This system matters for a company with creativity and imagination like Lego. "We need to be both: extremely creative, and extremely precise," he said.

One of the keys to drive the toy-maker in continuous growth momentum is its culture of experimentation and synchronized investment across brand, products and channels.

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Niels B. Christiansen, president and CEO of Lego Group

Top: An employee distributes flags to a young visitor at Legoland Shanghai Resort on July 5. PROVIDED TO CHINA DAILY

Below: A view of Legoland Shanghai Resort on July 3, before it officially opened. DING TING / XINHUA

"If you invest in all three things at the same time, you have a much better chance," he said. "It's not enough to invest in products if your channels and brand are not strong."

The global toy market has seen renewed momentum in collectibles — led by players like China's Pop Mart, the maker of Labubu. Pop Mart has over 530 stores worldwide, an amusement park in Beijing, and 46 million shopping members.

According to Clifton Chiu, senior analyst of Euromonitor International, Pop Mart's sustained success has seen it gain about 20 percent market share in the dolls and accessories market in China and 0.5 percent in the world, which is significant considering it is competing in the same space as Barbie. Lego has continued to be the biggest player in the construction toys market for kids.

In response to the fast rise of the Chinese toymaker, Christiansen said Lego Group is watching the trend with interest but remains focused on long-term brand integrity.

"What we're seeing right now is that Pop Mart and collectibles are growing quite rapidly, but they're not taking away from the building or construction part of it," he said. "It's kind of the Lego Group and collectibles that are growing globally, which is a good thing."

"Our part of the toy market is also growing pretty well. So we are following the trend, but I'm not too concerned that it will eat into our part of the market," he added. "We want to understand what it means to consumers so that we can tap into that experience as well."

Lego already incorporates elements of collectibility in its sets — particularly in display-worthy licensed IP like Formula One — but Christiansen emphasized the company won't chase trends. "We will never compromise on the quality and the learning aspect of what we do," he said. "We don't just do something to do quick business. We want to do something sustainable over time."

The rise of collectibles isn't new. "We're seeing that collectible trend all over the world ... trading cards, and a lot of similar things where you buy something blind and get excited about what it is," he said. "It's a category that has historically appeared once in a while, stayed popular for three or four years, then became a little less exciting for a period, and then reemerged in a different setting."

What would be new, he said, is seeing the collectible experience done "the Lego way" — creative, sustainable and built to last.

Theme parks seize era of expansion to drive growth

By WANG ZHUOQIONG

China's theme park sector is transitioning from years of volatile growth into a period of steadier expansion, even as shifting consumer preferences and rising competition reshape the landscape, according to an industry report.

On the same day that Legoland Shanghai Resort officially opened its gates, an upgraded Star World — Nanhui Amusement Park in Guangzhou, Guangdong province, also debuted to visitors — highlighting a broader wave of investment sweeping across the country.

More than 20 new parks are currently under construction, newly launched, or scheduled to open this year, signaling continued enthusiasm from developers and local governments despite softening attendance growth.

According to the 2024 China theme park competitiveness report, the country was home to 385 theme parks by October 2024, of which 87 were megasized or big-sized parks.

The Yangtze River Delta has cemented its status as the nation's "golden belt" for theme parks. The region hosts 19 of the country's big parks — 22 percent of the national total — with Shanghai emerging as a focal point. The city now boasts two major international IPs: Disney and Legoland.

Jinjiang International has announced plans to bring the "Harry Potter Studio Tour" to Shanghai through a partnership with Warner Bros, while a Peppa Pig-themed park is also in the pipeline.

Shanghai Disney Resort, the leading player in the country's themed entertainment market, broke ground in May on a new Spider-Man-themed attraction — its third major expansion since opening in 2016. The Marvel-themed zone will become the park's ninth themed area and follows the additions of Toy Story Land in 2018 and Zootopia in late 2023. This summer, Shanghai Disneyland will also roll out new Pixar-themed offerings, targeting younger families and fans of the animation studio's beloved franchises.

China's theme park industry is now settling into a slower but more sustainable trajectory, another industry report showed.

Market research firm Mintel forecasts that between 2025 and 2029, the sector will enter a phase of moderate, steady growth. In 2024, theme park attendance dipped 1.9 percent, despite a 14.8 percent surge in domestic tourism overall.

This reflects two core pressures: a proliferation of alternative leisure destinations — including museums, outdoor attractions and immersive exhibitions — has diverted foot traffic, while increasingly cautious consumer spending is steering demand toward niche, value-oriented experiences over "big-ticket" attractions, according to Mintel.

To counter this shift, domestic park operators are redirecting their strategies to tap into

the growing demand in lower-tier cities.

Local players are responding to four emerging priorities — affordability, convenience, cultural resonance and natural settings. By designing attractions that reflect regional identity and offering flexible, short-haul experiences, they are capturing a segment that was underserved for long, said Mintel.

"These cities are showing a consumption vitality that rivals traditional urban centers," said Tina Cheng, research analyst of travel and leisure, Mintel China. "And with the rise of weekend and short-distance travel, local parks are uniquely positioned to benefit."

Operators such as Songcheng and Haichang Ocean Park have seen attendance gains through aggressive regional expansion and culturally themed offerings. Their ability to localize experiences and integrate interactive storytelling has enabled them to compete more effectively with international giants, Cheng said.

Still, international brands continue to benefit from entrenched brand recognition and trust, which has helped them maintain stable market share in terms of number of visitors to the resorts.

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Despite rising consumer caution, demand for immersive, high-quality experiences remains robust.

According to Mintel, 57 percent of surveyed visitors said they were willing to spend two to three days at a theme park to maximize the value of their trip — underscoring the growing appeal of multiday entertainment formats.

The survey also found that 56 percent of respondents prefer staying in on-site, operator-owned hotels. This trend points to the increasing importance of full-spectrum offerings — from themed lodging to curated hospitality services — in building guest loyalty and driving revenue per capita.

"Even in a fragmented leisure market, consumers still crave escapism," Cheng said. "Parks that offer rich storytelling, seamless service, and high levels of immersion can command both time and value share."



Mickey Mouse and his friends entertain the audience at Shanghai Disney Resort on April 10.

TANG YANJUN / CHINA NEWS SERVICE

