

BEAUTYMATTER X BRITISH BEAUTY COUNCIL LONDON SUMMIT
DECODING THE CHINESE BEAUTY MARKET

Translating Western Beauty Brands
for Success in China

Spring + CP CONCEPT

2023 is set to be a big year for beauty in China. The end of lockdowns and the reopening of borders has set the stage for renewed optimism and potential.

It's a market that holds real promise for Western brands but it's also entirely unique, demanding a totally localised approach to brand, content, commerce & comms.

Whether you're looking to increase your presence or enter for the first time, China's uniquely passionate & discerning community of beauty fans, together with its unparalleled technological advancement, make it a fertile ground for Western beauty brands to push their boundaries and raise their game.

First shared as part of the February 2023 BeautyMatter x British Beauty Council London Summit "Decoding the Chinese Beauty Market", this report details Spring & CP Concept's 7 key principles for translating Western beauty brands for success in China.

1. Localise your positioning & product to resonate with Chinese consumers

Western beauty brands can't just turn up as they would in their home market and expect to cut through. It's critical to optimise & localise your positioning and product offering to tap into Chinese beauty consumers' cultural needs and functional expectations. From our experience, there are a couple of current audience priorities that offer brands a way in...

"PRECISION" SKINCARE

China's skintellectuals are in a class of their own, taking advantage of the plethora of digital channels available to them to research everything from ingredients to efficacy. Western brands must clearly communicate their offering - and substantiate not only why it is suitable for Chinese consumers, but superior to the other options out there. Malin+Goetz is a great example of this: promoting powerful results with a desirable, pared-back aesthetic that highlights product function, they've been able to capture the attention of discerning Chinese consumers.



PROVENANCE + PERFORMANCE

The rise of C-Beauty means international players can no longer rely on foreign provenance alone - although this can still be compelling when clearly linked to product performance. Spring worked with Lumene to define a brand idea: "Beauty born of light" - evoking the brand's Arctic provenance and its potent ingredients, super-charged by intense summer light. It also speaks to the brand's promise of "naturally luminous beauty" - something that we dialled up to appeal to Chinese consumers' love of brightening benefits - and were sure to clearly link to those super pure & potent Nordic ingredients.



这种坚韧不衰的美是LUMENE的灵感来源

OWN YOUR NICHE

Driven by a growing sense of individualism and desire for newness, China's Gen Z consumers delight in the discovery of novel brands, creating opportunities for specialist and "under the radar" players. Penhaligon's has done well to hone its niche appeal: the perfume house's "Portraits" collection has proved to be its best-selling line in China, thanks to its one-of-a-kind approach to scent creation. And it's not just the immersive olfactive world that appeals, but also the brand's quirky and distinctive visual universe.



2. Embrace China's dynamic digital beauty ecosystem

China is the most technologically advanced and digitally sophisticated market in the world. The landscape is constantly evolving and brands need smart strategies and consistent effort simply to keep pace. There are a number of key touchpoints for Chinese beauty fans:



XIAOHONGSHU (RED)

RED users love beauty and skincare, and they typically use the platform as a search tool. Basic traffic is secured only if content meets the interests of its users so the stakes are high.



DOUYIN

The Chinese version - or rather, the original TikTok - Douyin is dedicated to short-form video content and live streaming. But whereas TikTok Shop is still fairly nascent, Douyin is already a huge source of sales for beauty in China as users can pay for goods without even leaving the app. **Many successful beauty brands are leveraging the two platforms together: using a 'sow with RED, reap with Douyin' flow.**



WECHAT

Similar to WhatsApp, but not just any ordinary messaging app: WeChat has multiple functions, including WeChat Official Account and Shop, which acts as the "official website" for brands, announcing latest releases and interactive content. This platform offers brands more commercial opportunities & exposure.



WEIBO

Seen as the Chinese Twitter, Weibo again expands on the functions of the Western platform to cater to Chinese netizens' needs. With celebrities using Weibo as their primary point of exposure, beauty brands often use the platform to drive traffic from celebrities to the brand.



TAOBAO & TMALL

A "super app" combining social media, live streaming, selling, and customer service - a key aspect to conversion in the whole beauty ecosystem. Taking a step further, Tmall is the more elevated end of Taobao, including only internationally certified brands.

2. Embrace China's dynamic digital beauty ecosystem

In this fast moving & fragmented landscape, you need to commit to create cut through. Each channel requires a different approach and Western brands will need to create or tailor their assets to suit - from eCom product imagery, to models, to product swatches and graphic design.

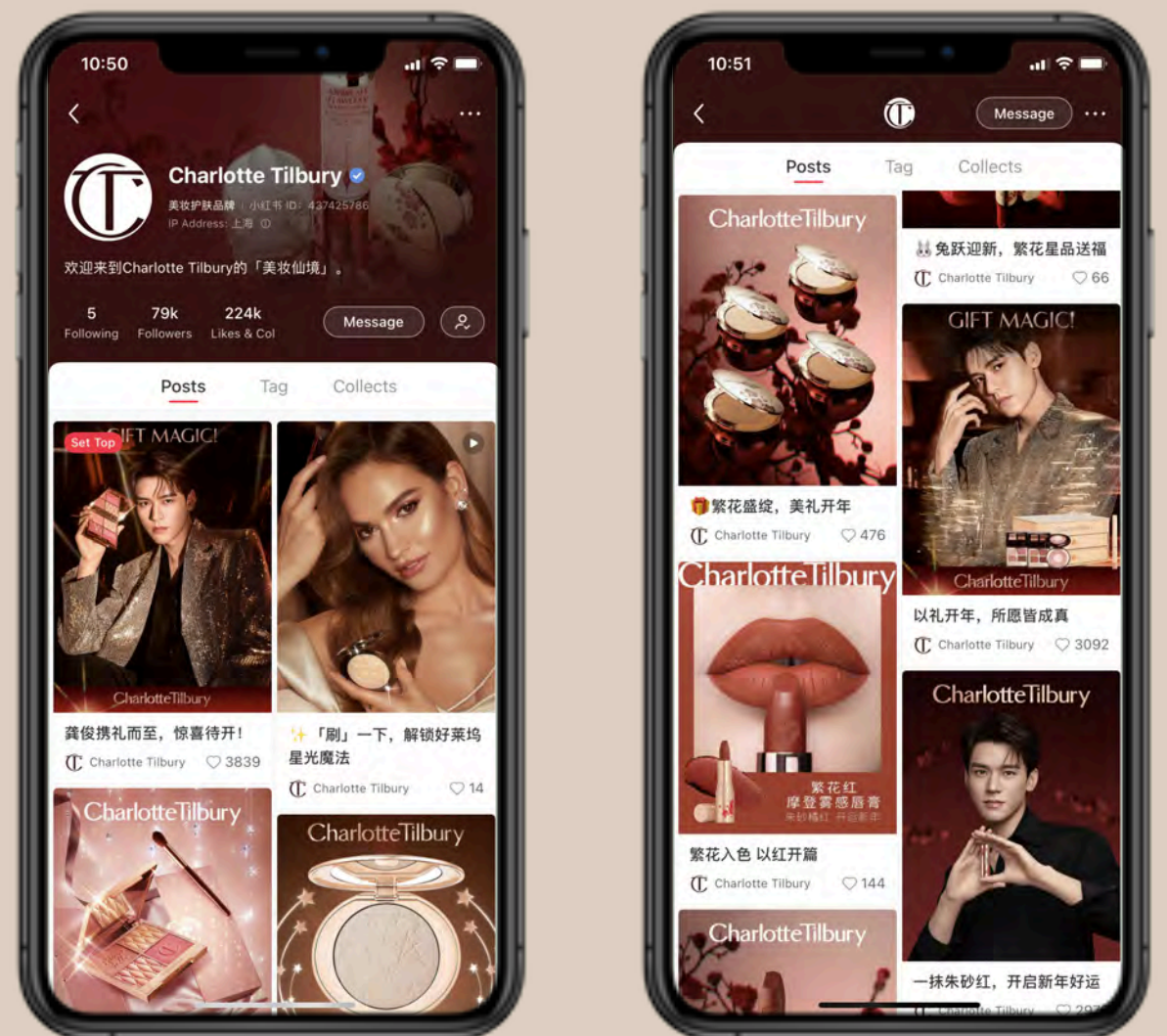
As a result, the “best in class” examples are dominated by larger Western brands with the budget to maintain an active presence on these platforms.

CHARLOTTE TILBURY ON XIAOHONGSHU (RED)

A good reputation in the Western market meant that Charlotte Tilbury's engagement rates were higher than average, even when they first debuted on the platform.

Using their global momentum and large reach to their advantage, they tailored global campaign content for use on the platform, meanwhile seeding large amounts of Chinese KOLs to increase visibility and coverage.

Pushing further with celebrity ambassadorships, they have increased their traffic and their performance has rocketed to 3k+ likes - an impressive rate of engagement for RED.



FARMACY - STRATEGIES FOR NICHE PLAYERS

For niche brands looking to establish themselves in this highly competitive, “pay to play” environment, partnering with other like-minded brands to maximise budgets can be helpful.

FARMACY didn't initially have enough budget to do solo placements, so they joined forces with several other niche brands with the multinational agency, SuperOrdinary. The agency invests a greater budget on the brands' behalf, unlocking more effective ROI.

Today, FARMACY invest tens of millions RMB a year on Douyin live streaming, resulting in hundreds of millions RMB in sales.

On Taobao, they perform even better: when FARMACY partnered with number 1 live streamer Li Jiaqi, their sales reached close to 100 million RMB for only 2 products.



3. Harness the power of KOLs and KOCs

Ambassadors, influencers and UGC are all par for the course for Western beauty brands. But while the concept of a “pyramid of influence” also applies to the Chinese landscape, the “rules of engagement” do not directly translate.

Popular celebrity status

ASIAN OR WORLDWIDE RECOGNITION

1%

Famous influencers

+1 MILLION FOLLOWERS

14%

Common, everyday consumers

MODEST FOLLOWINGS

84%

STARS &
CELEBRITIES

KOLs - KEY OPINION LEADERS

KOCs - KEY OPINION CONSUMERS

KEY OPINION LEADERS (KOLs)

KOLs typically have a large following and can act as a spokesperson, ambassador or expert for products and brands. They are great at creating awareness - something that is critical for new entrants - and can help with a brand's positioning as they often attract a fanbase around a specialist interest or set of values. Due to the hefty price that brands must pay to engage with KOLs, it's imperative to get the casting right, ensuring they are an appropriate fit for your brand.

KEY OPINION CONSUMERS (KOCs)

KOCs are micro-influencers with more modest followings, who both consume products and create content. As everyday shoppers themselves, they are more relatable and trusted by consumers - particularly when making purchasing decisions. They're also critical for creating reviews - something that's important in a market where social media effectively acts as a search engine and is a key point of discovery & conversion for beauty.

3. Harness the power of KOLs and KOCs

Over 3/4 of Chinese Gen Zers say recommendations from key influencers have become the most important way for them to discover brands (Dauxe Consulting, Sept 2022). Typically, KOL content is the first touchpoint in attracting the attention of beauty fans, who will then research more in-depth product reviews by KOCs on social media platforms such as RED and Douyin.

VALENTINO BEAUTY X 安吉林ANGELENE

As part of their launch strategy, Valentino Beauty partnered with 安吉林Angelene, a top-tier Chinese KOL. Angelene shared bespoke content as one of the first KOLs to introduce Valentino Beauty to the Chinese audience.

It was a great success, in part due to her affinity and authority in the luxury fashion & beauty space. The hashtag she used - #华伦天奴大v口红 - has more than 100.4k views on RED and Valentino Beauty have gone on to collaborate with her on subsequent product launches.



CLINIQUE

Clinique leveraged both KOL and KOC marketing in tandem, in order to increase awareness of its brightening & whitening products. Clinique worked with a total of 718 influencers for the campaign, with KOCs accounting for 72%.

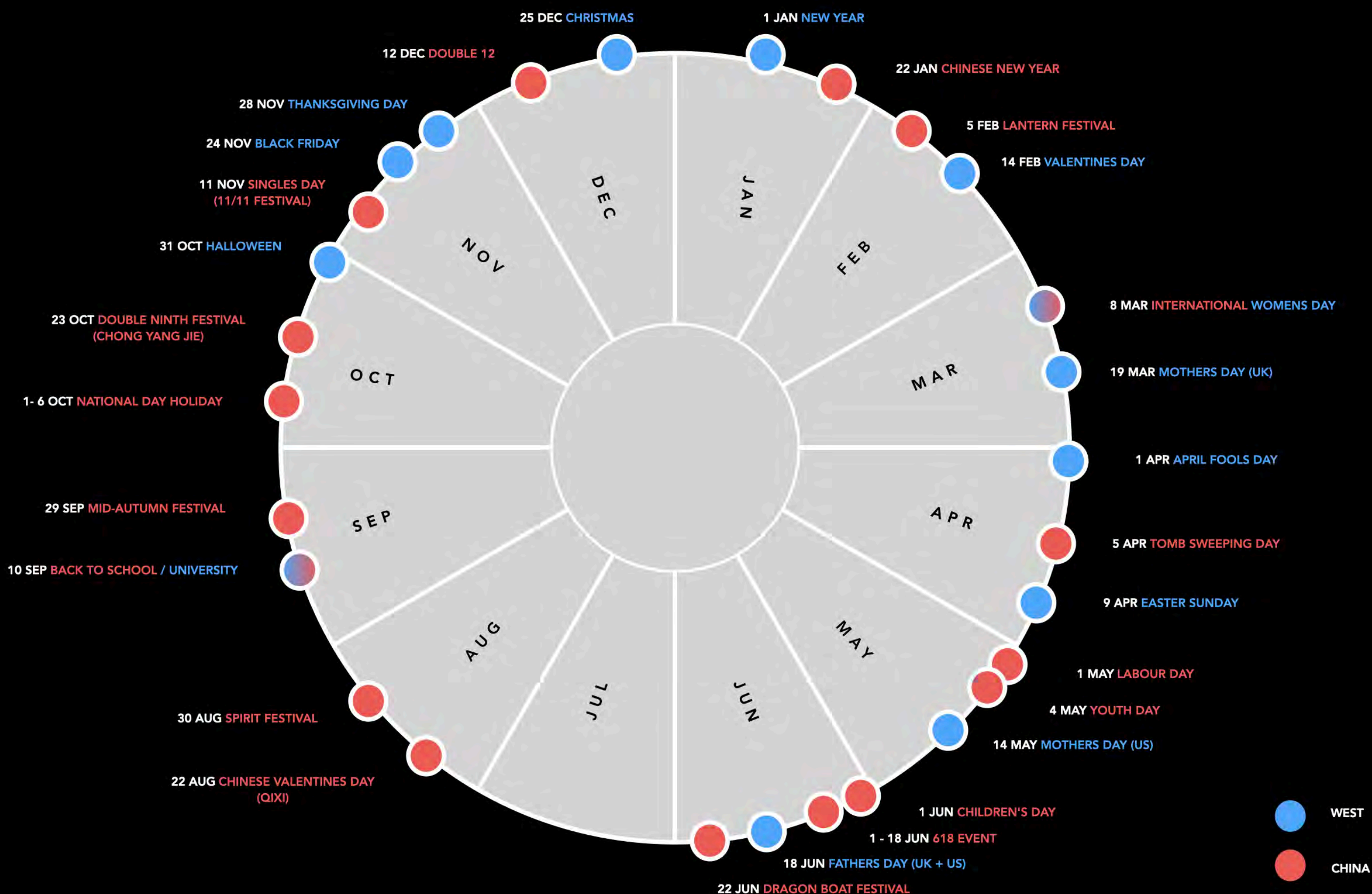
Compared to KOLs, KOCs are able to cover a wide range of interests and build an organic rapport with consumers, helping brands reach more consumer segments and increasing market penetration.

With the help of KOC marketing, Clinique's brand mentions increased significantly, and posts of its new products have risen to the top of searches on social content platforms such as RED and Douyin.

4. Blend content & commerciality to activate key cultural moments

Beyond traditional Western dates such as Valentine's, China has a number of key national holidays and festivals. Many of these cultural moments are directly linked to shopping, creating a huge opportunity for Western beauty brands that are able to tap into them in an authentic & compelling way.

Live streaming plays a central role in activating these moments but it's highly competitive and, as a result, discounts & promotions are key to cutting through.



4. Blend content & commerciality to activate key cultural moments

Best-in-class brands look to boost brand equity & awareness in these moments by creating compelling & culturally relevant content, alongside commercially attractive offerings.

HELENA RUBINSTEIN

Helena Rubinstein invited iconic singer and actress Faye Wong to star in its short film called “Beauty Beyond Time”, produced by renowned Chinese director Wong Kar-wai. On social media, Faye Wong’s participation in the campaign became an instant hit – especially among Chinese millennials who grew up watching Hong Kong films. On Weibo, the teaser reached more than eleven million views.

Alongside the film, Helena Rubinstein leveraged live streaming content to reach young, tech-savvy audiences. Last year, for China’s 618 eCommerce festival, the cosmetics brand became the first self-live streaming luxury beauty brand to reach 100 million RMB in sales.



HR | 天猫618
HELENA RUBINSTEIN

强韧愈颜* 双倍奢护

会员至高享17件礼

5. Create cut through with local collaborations

Beyond partnering with local talent, Western beauty brands are also exploring partnerships with like-minded local brands in order to generate awareness and tap into new audiences.

Few brands have entered the Chinese market with a partnership as a first step, because influential Chinese brands typically will not be willing to collaborate with an unknown player. However, once brands are better established, they can leverage collaborations to reinforce relevance and create buzz.

Some of the most innovative collaborations have come from unexpected cross-category partnerships, creating a sense of surprise & delight for novelty-seeking Chinese consumers.

FENTY BEAUTY X HEYTEA

Rihanna's brand, Fenty Beauty, chose to collaborate with the popular Chinese tea shop HEYTEA for the promotion of its "Cheeks Out" Cream Blush.

Instead of a traditional product drop, the brands invited fans to participate in a lottery on Weibo for a chance to win a limited edition co-branded make-up bag and a HEYTEA voucher.

In order to enter, fans needed to follow both brands' accounts and complete a couple of tasks. The campaign hashtag received over 14 million views on Weibo and attracted 30,000 comments.



CREED X ROBBiART

The fragrance house, Creed, collaborated with Chinese collectible toy brand ROBBiART on the world's first scented designer toy. While this may seem an unusual partnership, in China, toy collectibles hold the same level of mainstream popularity as luxury goods, with the two industries synced through cultural capital.

Available in two sizes, and commanding a price tag of between US\$325 - \$500 - the collectible design was a custom commission by Hong Kong-based artist Laura Cheung. Each toy has a unique NFC tag that owners can scan to discover which edition they have.

The collaboration taps into the Gen Z community that see value in both digital and physical art and also plays into their desire for individualism & self expression.



6. Level up to create impact via physical retail & events

Beauty is a highly sensorial category that lends itself to immersive in person experiences & events. Across the globe, post-pandemic expectations of physical retail & events are higher than ever before – and this is certainly true in China.

When creating experiences for the Chinese audience, it's important to keep in mind that the merging of the physical & digital (commonly known as “phygital”), is simply the norm in China: everything is a content creation opportunity and brands should have a clear strategy for promotion pre-, during & post event, with plenty of photo-worthy experiences that fans can share online.

AESOP

The choice of location for Aesop's flagship Chinese stores focuses on places where creatives, designers, writers and architects have lived. The design of the space reflects the unique personality of each city.

Instead of a store to simply buy products, it feels more like a retreat for a slow lifestyle, offering a sense of sanctuary and immersion which their target consumers really appreciate & enjoy.



LANCÔME

Working in collaboration with the Central Academy of Fine Arts, Lancôme 'Art of Absolu' pop-up exhibition invited ten artists to create extraordinary & immersive works of art based on the brand's five pillars.

The brand harnessed star power and social media marketing to spread the word about the event: at the opening ceremony, they invited brand ambassadors such as Chinese actresses Ni Ni, Jin Chen, and Zhao Jinmai, alongside other celebrities.

LOUIS VUITTON

In celebration of Louis Vuitton's first Chengdu flagship store, they launched an interactive Mahjong (麻Jump) game on the brand's Official WeChat Account. The game contained teasers for the opening, giving everyone the opportunity to have a preview, and attracting customers to visit the store in person.

A play on words with the famous Chinese tile-base game 'Mahjong', Louis Vuitton playfully injected a local element, driving hype & engagement around the opening.



7. Capitalise on connections made with Chinese beauty fans travelling abroad

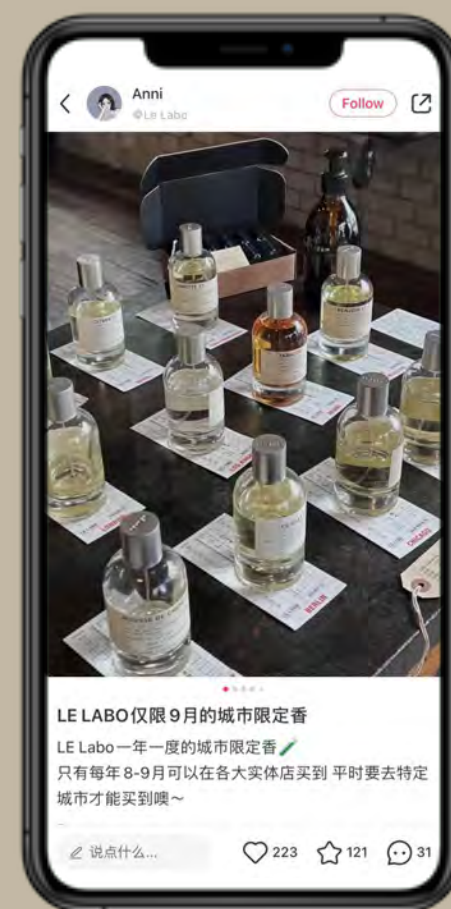
2023 will see the return of outbound tourism as Chinese beauty lovers embrace the opportunity to travel once again. It's estimated that in the first half of the year, 18 million Chinese tourists will travel internationally, followed by 40 million in the second half, with the UK & US among their top destinations (The China Outbound Tourism Research Institute, 2023).

Chinese consumers' expectations are higher than ever before. While some travel exclusive products will still hold appeal, Western brands must be ready to wow them with immersive storytelling & experiences that will capture their imaginations and be shared online for kudos with friends back home.

LE LABO

Le Labo's City Exclusive line has limited availability, with each scent curated to reflect the unique character of its location. The distribution strategy means that if a fragrance lover is looking for a specific city scent, they would typically have to go to that city to find it.

This niche concept has really captured the imagination of Chinese beauty lovers, appealing to their curiosity and desire for exclusivity. They frequently share their Le Labo city scent purchases on social media, cultivating desire & driving awareness for the brand.



DIOR x HARRODS AND LOEWE POP UP x SELFRIDGES

Dior's takeover of Harrods and the recent Loewe pop up at Selfridges have captured the attention of both UK locals and Chinese tourists, creating a buzz on RED and other apps. Both combined exhibitions, themed dining experiences, events & exclusive products - with plenty of interactive and photo-worthy opportunities.

Consider these luxury brands as a blueprint for how beauty players may seek to engage & impress Chinese consumers who are once again able to travel to these shores.

7 key principles for translating Western beauty brands for success in China



1. LOCALISE YOUR POSITIONING & PRODUCT TO RESONATE WITH CHINESE CONSUMERS

Tap into local consumers' cultural needs & functional expectations by appealing to interest in "precision" skincare, emphasising provenance + performance and/or honing your niche appeal



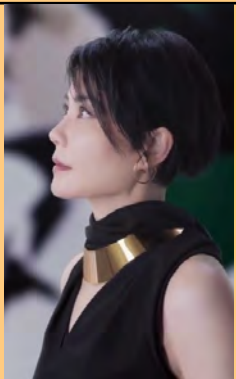
2. EMBRACE CHINA'S DYNAMIC DIGITAL BEAUTY ECOSYSTEM

The landscape is constantly evolving and brands need smart strategies, localised content and consistent effort simply to keep pace



3. HARNESS THE POWER OF KOLS AND KOCS

KOL content is typically the first touchpoint in attracting the attention of beauty fans, who will then research more in-depth product reviews by KOCs on social media platforms such as RED and Douyin



4. BLEND CONTENT & COMMERCIALITY TO ACTIVATE KEY CULTURAL MOMENTS

Best-in-class brands look to boost brand equity & awareness in these moments by creating compelling & culturally relevant content, alongside commercially attractive offerings



5. CREATE CUT THROUGH WITH LOCAL COLLABORATIONS

Explore partnerships with like-minded local brands in order to generate awareness and tap into new audiences. Unexpected cross-category collaborations can create a sense of surprise & delight for novelty-seeking Chinese consumers



6. LEVEL UP TO CREATE IMPACT VIA PHYSICAL RETAIL & EVENTS

Keep in mind that the merging of the physical & digital (commonly known as "phygital"), is simply the norm in China: everything is a content creation opportunity and brands should have a clear strategy for promotion pre-, during & post event



7. CAPITALISE ON CONNECTIONS MADE WITH CHINESE BEAUTY FANS TRAVELLING ABROAD

While some travel exclusive products will still hold appeal, Western brands must be ready to wow with immersive storytelling & experiences that will capture imaginations and be shared online for kudos with friends back home

How are you translating your beauty brand for success in China?

If you'd like to discuss how we can help you,
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