

BEAUTY

## 3 barometers of beauty: Tracking luxury beauty trends in Asia Pacific

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Historically, in terms of communication, luxury beauty brands have based their identity on exclusivity, prestige and impeccable service. They have prided themselves on being a discerning choice and keeping a distance between them and their customers.

Luxury beauty now needs to engage directly with consumers to gain insights into changing behavior, define new trends and enable advocacy.

The challenge for luxury beauty marketers is to strike a balance between embracing omnichannel without compromising brand values or expression, while retaining exclusivity and desirability.

I apply three barometers of beauty to track the rapid evolution of luxury beauty brands in Asia Pacific (APAC):

- **Ecommerce collaborations:** From Tmall's Luxury Pavilion to Farfetch's JD.com alliance, we follow the VIP brands that hold their ranks, and how that mix is changing.
- **Privilege programs:** Once only for those big spenders invited with discretion, member programs now drive differentiation and marketing integrity. We monitor newly established programs and how they are different.
- **New-wave bricks-and-mortar:** There is a slew of new-wave beauty roadshows and luxe pop-ups across Asia. We benchmark the best breakthroughs that retain brand authenticity.

The combination of these three beauty barometers is a powerful mix that brings a wealth of insight into changing consumer behavior how to introduce new products, adjust ingredients and expand colour palettes and where the new spheres of influence are coming from to keep pace with this rapidly shifting landscape.

Ecommerce collaborations

Farfetch's recent merger with JD.com to provide the "premier luxury gateway to China" for luxury brands illustrates a step-change in luxury beauty in Asia.

This will mean Chinese customers are getting 700 luxury brands with JD's same-day delivery speeds and highly

professional service.

This also means luxury brands with a local retail presence such as Saint Laurent or Balenciaga will also have access to world-class omnichannel capabilities including click-and-collect and in-store returns, connecting the brands' physical retail stores in China to consumers.

Alibaba-owned Tmall's Luxury Pavilion aims to bring the same brand exclusivity and tailored shopping experience to the world of ecommerce.

In 2018, the brands invited to participate were global beauty icons such as Burberry, Giorgio Armani and La Mer.

In 2019 Tmall's Luxury Pavilion added Chanel, which previously only sold offline and via its own online store.

Importantly, this year the Tmall's Luxury Pavilion also introduced South Korean brands Sulwhasoo and the History of Whoo, reinforcing that they are in the same playing field as European luxury powerhouses.

Sulwhasoo, though being a Korean home brand, is shifting from the hypes of K-beauty to A-beauty, where A refers to Asian.

Slathering its Web site with mentions of "Asian wisdom" and "natural harmony," Sulwhasoo continues to strive to appeal to China, its biggest Asian market.

Tmall said the brands on the platform would be able to access the same tools to engage consumers that many of the brands selling through Tmall have put to use over the past year, such as virtual reality and augmented reality. They will also have at their disposal omnichannel solutions that integrate online and offline commerce.

Privilege programs

With Chanel's online expansion, it now offers real-time consultation by online beauty advisors, and a membership program providing members with exclusive new product samples and invites to attend offline events.

The continuous integration of the online and offline marketing mix builds a stronger network for members to experience first-hand offerings by Chanel, thus improving brand loyalty.

As brands continue to adopt exclusivity to grow brand loyalty, the innovation of products strengthens the bond between members and brands while recruiting a wider group of customers to be part of the committee.

Shiseido's recent launch of personalized skincare subscription service Optune takes personal care to the next level, combining technology and daily regime into one package.

The paid subscription model exclusive to Japan creates a new dimension of customized skincare practice daily with a personalized formula twice a day. This illustrates that Shiseido's innovation allows for developing a unique program to build a niche community of personal care activists.

The future of membership programs is adding on technological advances that the beauty industry is innovating to premiumize the service and create a closed knit of membership program to maximize the efforts to provide best-in-class offers for members. Johnson & Johnson sees one such example.

J&J's 3D printed personalized face mask in Asia is due to launch next year, beginning with China.

The product, MaskiD, is a tool that meets the needs of customers who are looking for products that are beyond the one-size-fits-all category. The individualized solution creates a community that opts for privileged offers to meet their sophisticated demands.

New-wave bricks-and-mortar

We are seeing beauty luxury brands unleash their creativity in Asia pushing their brands in entirely fresh ways to drive social media exposure via pop-ups and new takes on bricks and mortar.

What we see across Asia, is a movement from "masstige" to "massclusivity" about making them truly exclusive available to everyday consumers.

Following the success of Clarins' Ice Cream Bar, from a couple of years ago, we have seen similar success with Clarins' Garden.

Play an augmented reality game, where you "catch" the plant extract ingredients that go into Clarins' Double Serum with your phone. Explore "washing machines" with materials hidden within for you to touch and experience, which depict the different textures of their cleansers. And enter the Beauty Kitchen for a personalized recipe card following

a skincare analysis.

Chanel's Coco Game Centre kicked off in Tokyo, and it generated so much social media buzz that reservations were booked out a week before it arrived in Shanghai the following month.

The game-themed pop-up stimulated fans to record their experiences and post them on social media, creating authentic content for brand reach without the need for paid promotion. This helps to reach out to the younger consumers expanding the brand's customer base and improving sales.

IT IS IMPERATIVE for luxury beauty brands to adopt and apply the above-mentioned beauty barometers to keep abreast of industrial changes influenced by consumers.

Ecommerce retail collaborations, privileged offers and a new zone of interactive channels are how luxury businesses can address beauty trends and embrace exclusivity and inclusivity.

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