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Chanel in hot water in China over false beauty claims

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Chanel has been found to have violated cosmetics regulations in China and has been fined \$30,500 for misleading and false advertising. Image credit: Shutterstock

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Chanel has been fined for inaccurate advertising of two of its products in China Chanel Luxury Essence Cream (Light) and Chanel Shining Good Night Repairing Mask.

Due to violations of the "Regulations on Cosmetics Hygiene Supervision" and the "Advertising Law of the People's Republic of China," the Market Supervision Administration of Jing'an District, **Shanghai** issued an administrative penalty of ceasing advertising and a fine of \$30,500.

On the product pages, the ingredients and predicted results of the two cosmetics were deemed to be inaccurate and misleading.

During the investigation, it was reported that listed ingredients such as anti-freckle agents were not found and Chanel was unable to prove actions such as, "inhibiting melanin" and "fading spots."

Jing Take: This is not the first time that Chanel has fallen foul to China's advertising standards.

In 2017, it was fined \$200,000 a substantially larger fee by the Shanghai Huangpu District Market Supervision Administration for selling **fake products**.

Indeed, online reactions to the fine have pointed out the irrelevance of such a minor fee. Many see it as only right that Chanel must be punished. Yet, they also know that this is barely a drop in the ocean for a brand whose 2019 revenue rose 16.6 percent to \$12.3 billion.

Yes, the fine is minuscule, but the negative press and animosity it will undoubtedly generate will be far greater.

Chanel is the most copied luxury **brand** in the **counterfeit market** and it is constantly battling fakes.

However, these latest false claims are self-generated and a massive own-goal. This telling-off could well work out to be far more costly to the **brand's** reputation in the long run, especially in a market as unforgiving and competitive as China's.

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