

APPAREL AND ACCESSORIES

Dior learned to localize in China and was rewarded for it

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French fashion powerhouse Dior has not been afraid of trying new initiatives in the lucrative Chinese market. And now, it is a leader in localization.
Image credit: Shutterstock

By **Chenyue Fu**

For LVMH, Dior is its cash cow and lab mouse, as the French fashion powerhouse is not afraid of testing the waters of the lucrative Chinese market. Though not every experiment has been a success, the forward-thinking brand is now decisively ahead in the **localization** game.

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With a record-breaking 83.6 million Chinese viewers for its spring 2021 collection, Dior successfully cashed at the recent annual Singles' Day shopping festival.

For the first time, the brand rolled out a series of limited-edition products exclusively for the **Double 11** event after announcing it on Dior's official WeChat account on Oct. 13. It is the first time a top-tier luxury brand has released a capsule collection exclusively for the online shopping event.

At the same time, Dior's parent group, **LVMH**, is relieving itself from outsourcing its **ecommerce** business to other multi-brand platforms by launching its own, called **24S**.

The platform, which is a one-stop shopping destination for brands like **Louis Vuitton**, **Dior**, **Celine** and **Givenchy**, offered up to 30 percent off orders crossing \$3,500 (23,000 yuan) as its own version of a Singles' Day promotion. Tools such as these are sure to stimulate younger buyers' desire to buy.

For example, an \$840 (5,540 yuan) Dior Homme jumper is currently being marketed through a payment plan for \$2.40 (15.18 yuan) per day, which is less than a daily coffee over 12 months.

As such, the orders for Double 11 were so many that many companies had to ship goods from overseas markets to mainland China.

Dior has been trying out various digital strategies for years now.

Back in 2015, Dior became the first luxury brand to promote its offerings on WeChat Moments. And, in 2018, Dior opened the first luxury livestream on WeChat. It was also the first luxury brand to open up an online WeChat store for

a handbag.

In the same year, Dior took the initiative to become the first luxury brand to test out **Douyin** by opening its first official account.

The French luxury brand also entered into the popular video-sharing platform Bilibili to further attract **millennials** and **Gen Zers**.

Aside from actively building the brand's social media accounts, Dior is also working on converting that traffic into sales.

In June 2020, Dior launched its official **Tmall store** right before the Chinese online shopping carnival 6.18. However, only skincare products, cosmetics and perfumes were available on the Tmall store. More than 335,000 fans were collected in just one month.

As a result, the Christian Dior group recorded \$21.6 billion in revenue during the first half of 2020, with 12 percent organic growth. But the road to localization can be bumpy sometimes.

In 2019, Dior presented a workshop at Zhejiang Gongshang University and featured a map that did not show Taiwan. Within 12 hours, a video of the episode had been viewed more than 1 million times on Weibo, resulting in more than 3,000 comments, most of them negative.

The **incident** caused outrage among young netizens who have grown increasingly sensitive to an escalating series of cultural and geographic faux pas committed by Western brands.

On the way towards localization, brands must be very careful when featuring Chinese culture in their products, or it can look like a clumsy gimmick and will soon become a trending joke on the Internet.

For example, before the Double 11 capsule, Dior released a new **limited edition Book Tote** and Diorcamp handbags in May where consumers can choose to add personalized Chinese characters to the bag. However, the response from Chinese netizens has been less than flattering. They found the design "weird and cheap."

Through trial and error, Dior learned how to understand the Chinese market better.

During this year's Shanghai art week, Dior rolled out the fifth installment of its Dior Lady Art artist collaboration series alongside the art that inspired the collaborations.

To amplify the project to customers of spending-power levels in China, the brand set up an afternoon tea area inside the art fair for VIPs to enjoy French pastries and a cup of cappuccino with the Dior logo in foam.

At the same time, its army of local ambassadors showcased the bags for the brand's millions of followers on social media. The seamless combination of Dior's offline-to-online consumer journey showcased how the brand has grown over the years.

Localization is a long and hard class to take, but the lessons are worth the effort.

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